

Health Services' Board Letter

Chief Administrative Officer's Memo



THOMAS L. GARTHWAITE, M.D.
Director and Chief Medical Officer

FRED LEAF
Chief Operating Officer

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
313 N. Figueroa, Los Angeles, CA 90012
(213) 240-8101

BOARD OF SUPERVISORS

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November 26, 2003

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**NOTICES OF COOPERATIVE AGREEMENT FOR THE HIV EPIDEMIOLOGY PROGRAM
AND HIV/AIDS PERSONNEL SERVICES AGREEMENT AMENDMENT (All Districts) (3 Votes)**

IT IS RECOMMENDED THAT THE BOARD:

1. Accept Amendment No. 2 (Exhibit II) to the CY 2003 NCA No. U62/CCU906253-12-2 from the Centers for Disease Control and Prevention (CDC) for the HIV/AIDS Surveillance and Seroprevalence Program reducing the CY 2003 total funding amount from \$5,631,186 to \$5,434,780, a reduction of \$196,406.
2. Accept Amendment No. 3 (Exhibit III) to the CY 2003 NCA No. U62/CCU906253-12-3 from CDC in the amount of \$85,000 for the HIV/AIDS Surveillance and Seroprevalence Program increasing CY 2003 total funding amount from \$5,434,780 to \$5,519,780.
3. Delegate authority to the Director of Health Services, or his designee, to accept forthcoming Amendment No. 4 to the CY 2003 NCA from CDC not to exceed \$850,000 to extend the term for NCA No. U62/CCU906253-12 through March 31, 2004 and increase CY 2003 total funding amount from \$5,519,780 to \$6,369,780.
4. Delegate authority to the Director of Health Services, or his designee, to accept forthcoming CY 2004 award for the Surveillance and Seroprevalence Program from CDC in an amount not to exceed \$4.5 million for the period April 1, 2004 through December 31, 2004, and any amendments to the CY 2004 award that do not exceed 30% of the base award, upon review and approval by County Counsel, followed by notification to the Board offices.

5. Accept NCA No. U62/CCU923322-01 (Exhibit IV) from CDC in the amount of \$121,366 for the HIV Epidemiologic Web-based Risk Behavior Surveillance Among Men Who Have Sex With Men (MSM) Study for the period September 30, 2003 through September 29, 2004.
6. Delegate authority to the Director of Health Services, or his designee, to accept and sign future NCAs for the HIV Epidemiologic Web-based Risk Behavior Surveillance MSM Study (Web-based MSM Study) through the end of the project period September 29, 2006, in amounts up to \$250,000 each CDC budget period, and amendments to the NCAs for increases in funding that do not exceed 30% of the base award, upon review and approval by County Counsel, followed by notification to the Board offices.
7. Approve and instruct the Director of Health Services, or his designee, to sign Amendment No. 3 to Agreement No. H-213191 with Simpson and Simpson Business and Personnel Services, Inc. (Simpson), substantially similar to Exhibit I, to: 1) reduce the maximum obligation from \$2,511,667 to \$2,211,547, a reduction of \$300,120 for Calendar Year (CY) 2003 through December 31, 2003 fully offset by CDC funds; 2) extend the Agreement for the period January 1, 2004 through March 31, 2004 with a County maximum obligation of \$53,407, and provision for a month-to-month extension from April 1, 2004 through September 30, 2004, for completion of a competitive solicitation process, with a County maximum obligation of \$427,057 for a total maximum obligation of \$2,692,011, fully offset by CDC funds.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS:

Approval of the recommended actions provides for the continuation of programs for the HIV/AIDS Surveillance and Seroprevalence Program and funds for HIV Epidemiologic Web-based MSM Study.

The amendment with Simpson provides for the continued collection of HIV seroprevalence and seroincidence data, information regarding HIV testing patterns, HIV infection surveillance practices, and HIV surveillance and enhanced perinatal surveillance pending the successful completion of a competitive solicitation process.

FISCAL IMPACT/FINANCING:

The total program cost for the HIV/AIDS Surveillance and Seroprevalence Program for the period January 1, 2003 through March 31, 2004 is \$6,369,780, 100% offset by CDC funds.

Amendment No. 2 to the CY 2003 HIV/AIDS Surveillance and Seroprevalence NCA provides for a reduction of the total funding amount from \$5,631,186 to \$5,434,780, a reduction of \$196,406.

Amendment No. 3 to the CY 2003 HIV/AIDS Surveillance and Seroprevalence NCA provides for an increase of \$85,000 from \$5,434,780 to \$5,519,780.

Forthcoming Amendment No. 4 to the CY 2003 HIV/AIDS Surveillance and Seroprevalence NCA extends the term through March 31, 2004 and provides for an increase not to exceed \$850,000 for a CY 2003 total funding amount from \$5,519,780 to \$6,369,780.

NCA No. U62/CCU923322-01 provides for funding in the amount of \$121,366 for the HIV Epidemiologic Web-based MSM Study for the period September 30, 2003 through September 29, 2004.

Amendment No. 3 to Agreement No. H-213191 with Simpson will: 1) reduce the maximum obligation from \$2,511,667 to \$2,211,547, a reduction of \$300,120 for CY 2003. This overstatement was caused by the erroneous inclusion of certain funds twice in two separate Board actions. Simpson will continue to provide same services; 2) extend the Agreement for the period January 1, 2004 through September 30, 2004 as follows: a) at no cost for five projects and new funding increasing the budgeted amount for two projects totaling \$53,407 for three months from January 1, 2004 through March 31, 2004 (see Attachment C) utilizing \$38,048 from MSM Study funds and \$15,359 from Web-based MSM-Study funds, and b) provide for a month-to-month cost extension (see Attachment A) for the period April 1, 2004 through September 30, 2004 totaling \$427,057 utilizing \$136,758 from MSM Study NCA funding, \$31,232 from the Web-based MSM Study NCA for the period September 30, 2003 through September 29, 2004, and \$259,067 from the forthcoming CY 2004 Surveillance and Seroprevalence NCA funding. The total maximum contractual obligation is \$2,692,011, pending the successful completion of the selection of a vendor through a competitive solicitation process. There is no net County cost.

Funding is included in the Fiscal Year 2003-04 Adopted budget and will be included as a continuing appropriation in subsequent years.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

Simpson and Simpson Agreement No. H-213191

On December 18, 2001, the Board approved Agreement No. H-213191 with Simpson in the amount of \$613,849 for the period January 1, 2002 through December 31, 2002, for personnel services for HIV/AIDS epidemiologic studies.

On December 17, 2002, the Board approved Amendment No. 1 to Agreement No. H-213191 with Simpson which provided for an increase to the maximum obligation of \$925,098 for the period January 1, 2003 through December 31, 2003, fully offset by the CDC CY 2002 NCA No. R18/CCR921022-02 and the CDC CY 2003 NCA for the HIV/AIDS Surveillance and Seroprevalence Project, via delegated authority approval. Simpson continued to provide staff to conduct activities under the AIDS Epidemiologic Surveillance and Seroprevalence Study and the new HIV/AIDS MSM Research Study.

On April 15, 2003, the Board approved Amendment No. 2 to Agreement No. H-213191 with Simpson, which provided for an increase to the maximum obligation of \$972,719 for the period January 1, 2003 through December 31, 2003, fully offset by the CDC CY 2003 NCA for the HIV/AIDS Surveillance and Seroprevalence Project. Simpson continued to provide staff to conduct activities under the AIDS/ Epidemiologic Surveillance and Seroprevalence Study. At this time, an overstatement funds was projected which resulted in an overstatement of the cumulative maximum obligation in the Board letter and in the subsequent Board letter for Amendment No. 2 of \$2,511,667.

On September 11, 2003, the Department received NCA Amendment #R18/CCR921022-03 for the MSM Study in the amount of \$499,961 for the period September 30, 2003 through September 29, 2004, which was processed via delegated authority approved on December 17, 2002.

The amendment with Simpson provides for the continued collection of HIV seroprevalence and seroincidence data, information regarding HIV testing patterns, HIV infection surveillance practices, and HIV Surveillance and Enhanced Perinatal surveillance pending the successful completion of a competitive solicitation process.

CDC CY 2003 HIV/AIDS Surveillance and Seroprevalence Project NCA No. U62/CCU906253-12

On January 2, 2003, the Department of Health Services (DHS or Department) received the CDC CY 2003 NCA No. U62/CCU906253-12 for the HIV/AIDS Surveillance and Seroprevalence Project in the amount of \$3,795,118. Pending the resolution of CDC's budget situation, the award reflected only 25% (\$612,022) of new funding of \$2,448,090 and \$3,183,096 of carryover funds from CYs 2001 and 2002, accepted via delegated authority approved on December 17, 2002.

On April 14, 2003, Amendment No. 1 to the NCA for the HIV/AIDS Surveillance and Seroprevalence Program for CY 2003 was received and processed (09/12/03) via delegated authority provided on December 17, 2002, in the amount of \$1,836,068, which reflected the remaining 75% of new funding for the period January 1, 2003 through December 31, 2003.

On July 3, 2003, Amendment No. 2 to the NCA for the HIV/AIDS Surveillance and Seroprevalence Program for CY 2003 was received in the amount of \$5,434,780, a decrease of \$196,406, for the period January 1, 2003 through December 31, 2003.

On August 13, 2003, Amendment No. 3 to the NCA for the HIV/AIDS Surveillance and Seroprevalence Program for CY 2003 was received in the amount of \$5,519,780, an increase of \$85,000 for the period January 1, 2003 through December 31, 2003.

On September 12, 2003, CDC notified the Department that due to delays in the release of Program Announcement #04017, which covers future budget periods, they would be extending the term of the current NCA for CY 2003 through March 31, 2004, in an amount not to exceed \$850,000, which will include funding in an amount not to exceed \$125,000 for the HIV/AIDS American-Indian/Alaska Native Behavioral Surveillance Project, and that a new NCA for CY 2004 would be issued sometime early next year in an amount not to exceed \$4.5 million for the period April 1, 2004 through December 31, 2004.

CDC NCA No. R18/CCR921022-02

On July 29, 2003, the Department received NCA Amendment #R18/CCR921022-02 for the HIV/AIDS Research Study in African-American and Hispanic Men Who Have Sex with Men (MSM Study) in the amount of \$116,107 for the period September 30, 2002 through September 29, 2003, which was processed via delegated authority provided on December 17, 2002.

The Honorable Board of Supervisors
November 26, 2003
Page 5

CDC NCA No. R18/CCR921022-03

On September 11, 2003, the Department received NCA Amendment #R18/CCR921022-03 for the HIV/AIDS MSM Research Study in the amount of \$499,961 for the period September 30, 2003 through September 29, 2004, which was processed via delegated authority approved on December 17, 2002.

Attachments A, B, and C provide additional information. Attachment D is the Grants Management Statement, which the Board instructed all County Departments to include in all Board letters for grant awards exceeding \$100,000.

County Counsel has reviewed Amendment No. 3 to Agreement No. H-213191 (Exhibit I) with Simpson and Amendment Nos. 2, 3, and 4 (Exhibits II, III, and IV) to the NCA No. U62/CCU923322-01 for CY 2003, as to form and use.

CONTRACTING PROCESS:

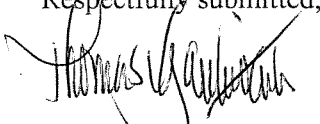
The Department of Health Services is conducting a competitive solicitation process to select a vendor to continue the personnel services for the HIV/AIDS epidemiologic studies. The selection of a vendor following this process is anticipated by March 1, 2004.

IMPACT ON CURRENT SERVICES (OR PROJECTS):

The amendment with Simpson provides for expanded collection of HIV seroprevalence and seroincidence data, information regarding HIV testing patterns, and HIV infection surveillance practices, and HIV Surveillance and Enhanced Perinatal Surveillance.

When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,



Thomas L. Garthwaite, M.D.
Director and Chief Medical Officer

TLG:po

Attachments (4)

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors

BLETCD2387.PO

SUMMARY OF AGREEMENT

Simpson and Simpson Business and Personnel, Inc.

1. TYPE OF SERVICE:

Public Health HIV-related epidemiology services.

2. AGENCY NAME AND CONTACT PERSON:

Simpson and Simpson Business and Personnel Services, Inc.
3600 Wilshire Blvd., Suite 1710
Los Angeles, California 90010
Attention: Brainard D. Simpson, President
Telephone: (213) 736-6664
Email: Simpson&simpsonspas.com

3. TERM:

Agreement No. H-213191:	January 1, 2002 through December 31, 2002.
Amendment No. 1:	January 1, 2003 through December 31, 2003.
Amendment No. 2:	Date of Board approval through December 31, 2003.
Amendment No. 3:	Date of Board approval through March 31, 2004 with month-to-month extension through September 30, 2004, pending competitive solicitation process.

4. FINANCIAL INFORMATION:

See Attachment C.

5. GEOGRAPHIC AREA SERVED:

Countywide.

6. ACCOUNTABLE FOR MONITORING AND EVALUATION:

Paul Simon, M.D., M.P.H., Director, Health Assessment and Epidemiology.

7. APPROVALS:

Public Health:	John F. Schunhoff, Ph.D., Chief of Operations
Contracts and Grants Division:	Riley J. Austin, Acting Chief
County Counsel (as to form):	Robert Ragland, Deputy County Counsel

SUMMARY OF AWARDS1. TYPE OF SERVICES:

HIV/AIDS Surveillance and Seroprevalence Studies.

2. AGENCY NAMES AND CONTACT PERSONS:

Centers for Disease Control and Prevention (CDC)
Procurement and Grants Office
2920 Brandywine Road, Room 3000, MS E-15
Atlanta, Georgia 30341-5539
Ann Cole, Grants Management Specialist
Telephone: 770) 488-2731
Fax No.: 770) 488-2670 or 71

3. TERM:

CY 2003 NCA: January 1, 2003 through March 31, 2004.
CY 2004 NCA: April 1, 2004 through December 31, 2004.
NCA No. U62/CCU923322-01: September 30, 2003 through September 29, 2004.

4. FINANCIAL INFORMATION:

The total program cost for the HIV/AIDS Surveillance and Seroprevalence Program for the period January 1, 2003 through March 31, 2004 is \$6,369,780, 100% offset by CDC grant funds. The estimated program cost for the period April 1, 2004 through December 31, 2004 is \$4.5 million, 100% offset by CDC grant funds.

5. GEOGRAPHIC AREA SERVED:

Countywide.

6. DESIGNATED ACCOUNTABLE FOR MONITORING AND EVALUATION:

Gordon Bunch, MA, Director, HIV Epidemiology Program

7. APPROVALS:

Public Health: John F. Schunhoff, Ph.D., Chief of Operations

Contracts and Grants Division: Riley J. Austin, Acting Chief

County Counsel (as to form): Robert Ragland, Senior Deputy County Counsel

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SIMPSON AND SIMPSON BUSINESS AND PERSONNEL, INC.

Agreement No: H-213191

GRANT	CY 02 Agreement	CY 03 Amend. 1	CY 03 Amend. 2	CY 03 Amend. 3	CY 03 Cumulative Total	CY 2004 Amend. 3 Jan - Mar	CY 2004 Amend. 3 April-September	Total Maximum Obligation
CDC: Surveillance and Seroprevalence								
Bathhouse Study	\$132,984				\$132,984			\$132,984
Project 1 - CHIP	309,316	453,447	312,014	(292,253)	782,524		93,484	876,008
HIV Testing Survey	63,479	108,795	71,750	(71,750)	172,274			172,274
YMS		240,095	172,382	(151,194)	261,283		141,778	403,061
HIV Surveillance			385,838	199,208	585,046		23,805	585,046
Enhanced Perinatal			30,735	15,869	46,604			70,409
Subtotal	\$505,779	\$802,337	\$972,719	(\$300,119)	\$1,980,715	\$0	\$259,067	\$2,239,782
MSM-HIV/AIDS Research Study-Latino								
	\$108,070	\$122,762			\$230,832	\$38,048		\$405,638
MSM-Web-Based Risk Behavior Surv								
					\$0	\$15,359	\$31,232	\$46,591
GRAND TOTAL	\$613,849.00	\$925,099.00	\$972,719.00	(\$300,119.00)	\$2,211,547.00	\$53,407.00	\$427,057.00	\$2,692,011.00

1. CDC funding for Project 1-CHIP, YMS, and Enhanced Perinatal totaling \$129,271 is provided by the anticipated CDC grant for Surveillance & Seroprevalence for calendar year 2004.
2. Funding for MSM-HIV/AIDS Research Study-Latino for periods January through March 2003 & April through June 2003 in the amount of \$64,952 and \$68,378 respectively are provided by the Latino MSM NCA #R18-CCR921022-3.
3. Funding for MSM-Web-Based Risk Behavior Surveillance for periods January through March 2003 & April through June 2003 in the amount of \$15,359 and \$15,359 respectively is provided by Web-Based MSM NCA #U62-CCU923322-01.

Ser & Sero Bud Outline A3

Los Angeles County Chief Administrative Office
Grant Management Statement for Grants Exceeding \$100,000

Department: Health Services

Grant Project Title and Description

HIV/AIDS SURVEILLANCE AND SEROPREVALENCE - HIV/AIDS Web-based Risk Behavior Surveillance Among Men Who Have Sex With Men (MSM)

Funding Agency	Program (Fed. Grant #/State Bill or Code #)	Grant Acceptance
CDC	U62/CCU923322-01	

Total Amount of Grant	\$121,366	County Match Requirements	None
Grant Period: CY 2003	Begin Date: September 30, 2003	End Date:	September 29, 2004
Number of Personnel Hired Under this	2	Full Time	PartTim 2

Obligations Imposed on the County When the Grant Expires

Will all personnel hired for this program be informed this is a grant funded program? Yes X No

Will all personnel hired for this program be placed on temporary ("N") items? Yes X No

Is the County obligated to continue this program after the grant expires Yes No X

If the County is not obligated to continue this program after the grant expires, the Department will:

a). Absorb the program cost without reducing other services Yes No X

b). Identify other revenue sources Yes No X

(Describe
)

c). Eliminate or reduce, as appropriate, positions/program costs funded by this grant. Yes X No

Impact of additional personnel on existing space:

Other requirements not mentioned above

Department Head

Date 11/25/03

EXHIBIT I
Contract No. H-213191-3

HUMAN IMMUNODEFICIENCY VIRUS (HIV)
ACQUIRED IMMUNE DEFICIENCY SYNDROME (AIDS)
PERSONNEL SERVICES AGREEMENT
Amendment No. 3

THIS AMENDMENT is made and entered into this _____
day of _____, 2003,

by and between COUNTY OF LOS ANGELES (hereafter
"County"),

and SIMPSON AND SIMPSON BUSINESS AND
PERSONNEL SERVICES, INC. (hereafter
"Contractor").

WHEREAS, reference is made to that certain document entitled
"HUMAN IMMUNODEFICIENCY VIRUS (HIV) ACQUIRED IMMUNE DEFICIENCY
SYNDROME (AIDS) PERSONNEL SERVICES AGREEMENT" dated December 18,
2001, and further identified as County Agreement No. H-213191
and any Amendments thereto (hereafter "Agreement"); and

WHEREAS, it is the intent of the parties hereto to amend
said Agreement to extend the term and to make other hereafter
described changes; and

WHEREAS, Agreement provides that changes may be made in the
form of a written amendment which is formally approved and
executed by the parties; and

NOW, THEREFORE, the parties hereby agree as follows:

1. This Amendment shall be effective on the date of Board
of Supervisors' approval.

2. The first subparagraph of Paragraph 1, TERM, shall be amended to read as follows:

"1. TERM: The term of this Agreement shall commence on January 1, 2002 and shall continue in full force and effect through March 31, 2004, with provision for a month-to-month extension through September 30, 2004, pending the selection of a vendor through a departmental competitive solicitation process."

3. The first subparagraph of Paragraph 2, DESCRIPTION OF SERVICES, shall be amended to read as follows:

"2. DESCRIPTION OF SERVICES: Contractor shall provide services to County in the manner and form as described in the body of this Agreement and in Exhibits A, B, B-1, and B-2 (Scope of Work) attached hereto and incorporated herein by reference. All paragraphs that reference Exhibits A, B, and B-1 shall be amended to also reference Exhibit B-2."

4. Paragraph 3, MAXIMUM OBLIGATION OF COUNTY, shall be amended to read as follows:

"3. MAXIMUM OBLIGATION OF COUNTY:

During the period January 1, 2002 through December 31, 2003, the maximum obligation of County for all services provided hereunder shall not exceed Two Million, Two Hundred Eleven Thousand, Five Hundred Forty-Seven Dollars (\$2,211,547). This sum represents the total maximum obligation of County as shown in Schedules VII-A and VII-B attached hereto and incorporated herein by reference.

During the period January 1, 2004 through March 31, 2004, the maximum obligation of County for all services provided hereunder shall be Fifty-Three Thousand, Four Hundred Seven Dollars (\$53,407). This sum represents the total maximum obligation of County as shown in Schedules VIII and IX, attached hereto and incorporated herein by reference.

During the period April 1, 2004 through September 30, 2004, the maximum obligation of County for all services provided hereunder shall not exceed Four Hundred Twenty Seven Thousand, Fifty Seven Dollars (\$427,057). This sum represents the total maximum obligation of County as shown in Schedules X, XI, and XII, attached hereto and incorporated herein by reference.

To receive payment from County, Contractor shall submit an invoice on such forms as may be furnished or required by County. Such invoice shall detail actual reimbursable costs incurred by Contractor in accordance with Schedules VII, VIII, IX, X, XI, XII, and XIII of Exhibit B-2. All references to Schedules III, III-A, III-B, III-C, V, and VI will be replaced by Schedules VII, VIII, IX, X, XI, XII and XIII. Each invoice shall be approved and signed by the designee of Contractor."

4. Except for the changes set forth herein above, Agreement shall not be changed in any respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its

Director of Health Services, and Contractor has caused the same to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

BY _____
Thomas L. Garthwaite
Director and Chief Medical Officer

SIMPSON AND SIMPSON BUSINESS AND
PERSONNEL SERVICES, INC.
Contractor

BY _____
Signature

Printed Name

Title _____
(AFFIX CORPORATE SEAL)

APPROVED AS TO FORM BY THE
OFFICE OF THE COUNTY COUNSEL
LLOYD W. PELLMAN
County Counsel

APPROVED AS TO CONTRACT
ADMINISTRATION:

Department of Health Services

By _____
Riley J. Austin, Acting Chief
Contracts and Grants Division

po:8/03
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EXHIBIT B-2
SIMPSON AND SIMPSON BUSINESS AND PERSONNEL SERVICES, INC.
SEROINCIDENCE SURVEY – COMMERCIAL SEX VENUES

HUMAN IMMUNODEFICIENCY VIRUS (HIV)
ACQUIRED IMMUNE DEFICIENCY SYNDROME (AIDS)
HIV EPIDEMIOLOGY PERSONNEL SERVICES

AMENDMENT 3
SCOPE OF WORK

1. **SERVICES TO BE PROVIDED:** Contractor shall provide the HIV Epidemiology Program (HEP) with supplies and personnel to augment County's staff in programs that grant funded and require staff that are difficult for the County to recruit and hire in a timely manner. All such personnel shall be provided to:

- A. **Behavioral Surveillance:** 1) supervise team of contract research interviewers; 2) coordinate community-based agencies to construct the sampling frame of recruitment venues; 3) prepare monthly sampling calendars; 4) supervise implementation of data and blood collection protocols; 5) direct communications with the study epidemiologist and the Center for Disease Control and Prevention to enhance successful conduct of the surveillance system ; 6) conduct all of the interviewing and recruitment duties for the quantitative data collection; and 7) conduct pre- and post HIV counseling and testing on survey participants; provide referrals for medical and social services to participants; conduct data collection at various venues during late night and weekend hours. Services shall be consistent with laws, regulations, and the Los Angeles County code.
- B. **Project 1:** 1) conduct anonymous HIV counseling and testing; 2) enroll participants into study; 3) administer California State HIV Counseling and Testing Form and Supplemental HIV Risk Assessment Questionnaire; 4) prepare and deliver specimens to Public Health Laboratory; 5) conduct pre and post-test counseling; 6) provide appropriate referrals, as needed; and 7) ensure that all reports are complete and forwarded to HEP. Services shall be consistent with laws, regulations, and the Los Angeles County code.
- C. **HIV Testing Survey (HITS):** 1) coordinate formative research efforts; 2) assist with final venue selection coordinate funds disbursement to research interviewers; 3) ensuring adherence to study protocols; 4) conduct questionnaire evaluation interviews with previous HITS interviewers; 5) conducting quality assurance; 6) evaluate the survey questionnaires; 7)

administer the questionnaires to eligible female sex workers and transgender women. Services shall be consistent with laws, regulations, and the Los Angeles County code.

- D. HIV Surveillance and Enhanced Perinatal Surveillance: 1) review medical records and abstract pertinent information to complete a case report on HIV and AIDS cases diagnosed at various medical care facilities throughout Los Angeles County; 2) assist with contacting laboratories and health care providers to obtain missing information; 3) respond to inquiries regarding HIV/AIDS surveillance; 4) assist with other surveillance duties as assigned; 5) assist with the resolution of duplicate HIV and AIDS cases (monthly and quarterly lists); 6) contact health care providers for HIV/AIDS case reporting and to obtain missing surveillance information; 7) provide training/surveillance information when necessary; 8) review HIV/AIDS case report forms for completeness and accuracy; and 9) assist with other surveillance duties as assigned. Services shall be consistent with laws, regulations, and the Los Angeles County code.
- E. WEB-BASED BEHAVIORAL SURVEILLANCE: 1) conduct qualitative individual interviews with community experts familiar with web sites and MSM activities related to meeting men through chat rooms, etc.; 2) assist the study Epidemiologist with coordinating community forums to elaborate on web venues and cultural norms elicited in the individual interviews; 3) conduct non-participant observation of the universe of web venues to be sampled in the quantitative study period; 4) create a stratified sampling frame and pilot-test the web-based sampling plan; 5) co-develop web-based data entry system and local WBS questions; 6) monitor participant recruitment and quality of data collected through web-based data entry system; and, 7) coordinate all data checking and transfer activities with CDC.

SCHEDULE VII-A

Schedule III Amendment III

PERSONNEL	Monthly Salary	# of Pos.	# of Mos.	% of Time	YMS	Proj.One	HITS	HIV Surv.	Enh. Peri.	Amd. 1 & 2		Amend #3
										Total Budget	Change	Total Budget
Field Research Coordinator	4,178	1	12	100%	50,136					83,201	(33,065)	50,136
Research Interviewers	2,788	6	12	100%	150,552					233,113	(82,561)	150,552
Community Svc. Counselors	2,843	4	12	100%		136,464				226,462	(89,998)	136,464
Research Interviewer	2,941	6	12	100%		211,752				351,402	(139,650)	211,752
Epidemiologist	5,150	1	12	25%		15,450				10,189	5,261	15,450
Project Coordinator	3,660	1	11	100%			40,260			66,991	(26,731)	40,260
Research Interviewer	2,788	1	8	50%			11,152			38,023	(26,871)	11,152
Research Interviewer	2,788	1	10	60%			16,728			22,742	(6,014)	16,728
Research Interviewer	2,788	1	10	50%			13,940			9,193	4,747	13,940
Research Interviewer	2,788	1	8	50%			11,152			7,355	3,797	11,152
Medical Records Abstractor	2,983	4	12	100%				143,184		94,430	48,754	143,184
Surveillance Assistants	3,333	1	12	100%				39,996		26,377	13,619	39,996
Data Entry Clerk	2,333	3	12	100%				83,988		55,390	28,598	83,988
Senior Data Entry Clerk	2,585	1	12	100%				31,020		20,458	10,562	31,020
Research Analyst	3,500	2	12	100%				84,000		55,398	28,602	84,000
Administrative Assistant	3,500	1	12	100%				42,000		27,699	14,301	42,000
Research Analyst Trainee	2,250	2	12	50%				27,000		17,806	9,194	27,000
Medical Records Abstractor	2,983	1	12	100%					35,796	23,607	12,189	35,796
TOTAL SALARIES					200,688	363,666	93,232	451,188	35,796	1,369,836	(225,266)	1,144,570
Employee Benefits					42,546	77,097	8,534	89,928	7,589	276,742	(51,048)	225,694
TOTAL PERSONNEL					243,234	440,763	101,766	541,116	43,385	1,646,578	(276,314)	1,370,264
OPERATING EXPENSES												
Office Supplies					0	1,300	0	0	0	2,157	(857)	1,300
Mileage/Parking					3,102	7,316	1,848	14,570	1,000	30,597	(2,761)	27,836
Advertising					0	0	0	1,500	0	989	511	1,500
Vaccine					600	1,200	0	0	0	3,910	(2,110)	1,800
Travel/Training					2,000	0	0	0	0	6,296	(4,296)	2,000
TOTAL OPERATING EXPENSES					5,702	9,816	1,848	16,070	1,000	43,949	(9,513)	34,436
Total Contractual					248,936	450,579	103,614	557,186	44,385	1,690,526	(285,826)	1,404,700
INDIRECT COSTS					12,447	22,529	5,181	27,860	2,219	84,528	(14,292)	70,236
TOTAL BUDGET					261,383	473,108	108,795	585,046	46,604	1,775,055	(300,119)	1,474,936 *

*DOES NOT INCLUDE ORIGINAL AGREEMENT AMOUNT OF \$613,849 OR ORIGINAL MSM PROJECT AMOUNT OF \$122,762, ALL COMBINED TALLING \$2,211,547.

COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES
HIV EPIDEMIOLOGY PROGRAM
Behavioral Surveillance/Project 1/HIV Testing Survey/HIV Surveillance/Enhanced Perinatal Surveillance
SUBCONTRACT: SIMPSON & SIMPSON BUSINESS AND PERSONNEL SERVICES
SCHEDULE "A" Three Month No-Cost Extension
January 1, 2004 - March 30, 2004

I. PERSONNEL	Monthly Salary	# of Pos.	# of Months	% of Time	YMS Beh. Surv. Budget	Project 1 Budget	HIV Testing Survey Budget	HIV Surveillance Budget	Enhanced Perinatal Surveillance Budget	Total Budget
Field Research Coordinator	\$4,178	1	3	100%	\$12,534					12,534
Research Interviewers	2,788	5	3	100%	41,820					41,820
Community Services Counselors	2,843	3	3	100%		25,587				25,587
Research Interviewer	2,941	6	3	100%		52,938				52,938
Epidemiologist	5,150	1	3	25%		3,863				3,863
Project Coordinator	3,660	1	3	100%			10,980			10,980
Research Interviewer	2,788	1	3	50%			4,182			4,182
Research Interviewer	2,788	1	3	60%			5,018			5,018
Research Interviewer	2,788	1	3	50%			4,182			4,182
Research Interviewer	2,788	1	3	50%			4,182			4,182
Medical Records Abstractor	2,983	1	3	100%				8,949		8,949
Medical Records Abstractor	2,983	4	3	100%			35,796			35,796
Surveillance Assistants	3,333	1	3	100%			9,999			9,999
Data Entry Clerk	2,333	3	3	100%			20,997			20,997
Senior Data Entry Clerk	2,585	1	3	100%			7,755			7,755
Research Analyst	3,500	2	3	100%			21,000			21,000
Administrative Assistant	3,500	1	3	100%			10,500			10,500
Research Analyst Trainee	2,250	2	3	50%			6,750			6,750
Total Full-Time Salaries					54,354	78,525	10,980	106,047	8,949	258,855
Total Part-Time Salaries						3,863	17,564	6,750		28,177
Employee Benefits @ 21.2%					11,523	16,647	2,327	22,482	1,897	54,876
Total Personnel					65,877	99,035	30,871	135,279	10,846	341,908
II. OPERATING EXPENSES										
Office Supplies					0	0	0	0	0	0
Mileage/Parking					1,188	2,000	1,848	3,643	500	9,179
Advertising					0	0	0	500	0	500
Vaccine					600	600	0	0	0	1,200
Travel/Training					0	0	0	0	0	0
Total Operating Expenses					1,788	2,600	1,848	4,143	500	10,879
Subtotal contractual cost (personnel + operating)					67,665	101,635	32,719	139,422	11,346	352,787
III. INDIRECT COSTS (5% of contractual subtotal)					3,383	5,082	1,636	6,972	567	17,640
IV. TOTAL					\$71,048	\$106,717	\$34,355	\$146,394	\$11,913	\$370,427 *

* No cost extension from 1/1/04 through 3/31/04 utilizing unexpended CY 2003 funds.

COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES
HIV EPIDEMIOLOGY PROGRAM
Epidemiological HIV/AIDS Research in African-American and Hispanic
Men Who Have Sex With Men
Schedule "B"

Simpson & Simpson Personnel Services Inc.
January 1, 2004 through March 30, 2004

	<u>Monthly</u> <u>Salary</u>	<u>Time</u>	<u># of</u> <u>Positions</u>	<u>Months</u>	<u>Total</u> <u>Request</u>
I. Personnel					
Full-Time Personnel					
Study Coordinator	\$3,929	100%	1	3	\$11,789
Field Research Supervisor	3,118	100%	1	3	9,350
Research Interviewer	2,788	100%	3	0	0
Study Recruiters	2,500	50%	2	0	0
 Total Salaries					21,139
Employee Benefits @ 21.2%					4,481
 Total Full-Time Personnel					25,620
II. OPERATING EXPENSES					
Mileage					1,116
Travel/Training					9,500
 Total Operating Expenses					10,616
 Total Contractual					36,236
 IV. INDIRECT COSTS @ 5% of total contractual					1,812
 V. TOTAL BUDGET					\$38,048

COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES
HIV EPIDEMIOLOGY PROGRAM
Evaluation of Web-Based HIV Risk Behavior Surveillance Among Men Who Have Sex With Men
PERSONNEL SERVICES SUBCONTRACT
Schedule "C"
January 1, 2004 - March 30, 2004

	<u>Annual Salary</u>	<u>Monthly Salary</u>	<u>% of Time</u>	<u># of Mos</u>	<u>Amount Requested</u>
I. Personnel					
Research Analyst					
Vacant	\$45,024	3,752	100%	3	\$11,256
Anticipated Hire: 1/1/04					
Total Salaries					11,256
Employee Benefits @ 21.2%					2,386
Total Full-Time Personnel					13,642
II. OPERATING EXPENSES					
Telephone					639
Mileage					98
Office Supplies					250
Total Operating Expenses					<u>987</u>
IV. INDIRECT COSTS @15% of total direct costs					731
V. TOTAL BUDGET					\$15,359

COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES
HIV EPIDEMIOLOGY PROGRAM
Behavioral Surveillance/Project 1/Enhanced Perinatal Surveillance
SUBCONTRACT: SIMPSON & SIMPSON BUSINESS AND PERSONNEL SERVICES
SCHEDULE "A" Cost Extension
April 1, 2004 - September 30, 2004

I. PERSONNEL	Monthly Salary	# of Pos.	# of Months	% of Time	YMS		Project 1 CHIP Budget	Enhanced Perinatal Surveillance	Total Budget
					Beh. Surv. Budget				
Field Research Coordinator	\$4,178	1	3	100%	25,068				25,068
Research Interviewers	2,788	5	3	100%	83,640				83,640
Research Interviewer	2,941	6	3	100%		72,768			72,768
Medical Records Abstractor	2,983	1	3	100%				17,898	17,898
Total Full-Time Salaries					108,708	72,768		17,898	199,374
Employee Benefits @ 21.2%					23,046	15,427		3,794	42,267
Total Personnel					131,754	88,195		21,692	241,641
II. OPERATING EXPENSES									
Mileage/Parking					2,673	837		979	4,489
Vaccine					600	0		0	600
Total Operating Expenses					3,273	837		979	5,089
Subtotal contractual cost (personnel + operating)					135,027	89,032		22,671	246,730
III. INDIRECT COSTS (5% of contractual subtotal)									
					6,751	4,452		1,134	12,337
IV. TOTAL									
					\$141,778	\$93,484		\$23,805	\$259,067

**COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES
HIV EPIDEMIOLOGY PROGRAM
Epidemiological HIV/AIDS Research in African-American and Hispanic
Men Who Have Sex With Men**

Schedule "B"

Simpson & Simpson Personnel Services Inc.

April 1, 2004 through September 30, 2004

	<u>Monthly</u>	<u>Time</u>	<u># of</u>	<u>Months</u>	<u>Total</u>
	<u>Salary</u>		<u>Positions</u>		<u>Request</u>
I. Personnel					
Full-Time Personnel					
Study Coordinator	\$3,929	100%	1	6	\$23,576
Field Research Supervisor	3,118	100%	1	6	18,704
Research Interviewer	2,788	100%	3	6	50,184
Study Recruiters	2,500	50%	2	6	15,000
Total Salaries					107,464
Employee Benefits @ 21.2%					22,782
Total Full-Time Personnel					130,246
II. OPERATING EXPENSES					
Mileage					0
Travel/Training					0
Total Operating Expenses					0
Total Contractual					130,246
IV. INDIRECT COSTS @ 5% of total contractual					6,512
V. TOTAL BUDGET					\$136,758

COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES
 HIV EPIDEMIOLOGY PROGRAM
 Evaluation of Web-Based HIV Risk Behavior Surveillance Among Men Who Have Sex With Men
 PERSONNEL SERVICES SUBCONTRACT
 Schedule "C"
 April 1, 2004 - September 30, 2004

	Annual Salary	Monthly Salary	% of Time	# of Mos	Amount Requested
I. Personnel					
Research Analyst					
Vacant	\$45,024	3,752	100%	6	\$22,512
Anticipated Hire: 1/1/04					
Total Salaries					22,512
Employee Benefits @ 21.2%					4,773
Total Full-Time Personnel					27,285
II. OPERATING EXPENSES					
Telephone					1,917
Mileage					293
Office Supplies					250
Total Operating Expenses					<u>2,460</u>
IV. INDIRECT COSTS @15% of total direct costs					1,487
V. TOTAL BUDGET					\$31,232

07/03/2003		93.944		DEPARTMENT OF HEALTH AND HUMAN SERVICES PUBLIC HEALTH SERVICE CENTERS FOR DISEASE CONTROL AND PREVENTION EXHIBIT II NOTICE OF COOPERATIVE AGREEMENT AUTHORIZATION (LEGISLATION/REGULATION) PHS ACT, SECT 301(A), 311, 317(K)(3)	
1. SUPERSEDES AWARD NOTICE DATED EXCEPT THAT ANY ADDITIONS OR RESTRICTIONS PREVIOUSLY IMPOSED REMAIN IN EFFECT UNLESS SPECIFICALLY RESCINDED.				04/14/2003	
2. GRANT NO. U62/CCU906253-12-2		5. ADMINISTRATIVE CODES CCU62			
3. PROJECT PERIOD FROM 01/01/1991		THROUGH 12/31/2003			
4. BUDGET PERIOD FROM 01/01/2003		THROUGH 12/31/2003			

JUL 14 1993

6. TITLE OF PROJECT (OR PROGRAM) HIV/AIDS SURVEILLANCE & SEROPREVALENCE	
7. GRANTEE NAME AND ADDRESS LOS ANGELES COUNTY DEPT OF HEALTH SVCS OFFICE OF AIDS PROGRAMS AND POLICY 600 S. COMMONWEALTH AVE, SUITE 1920 LOS ANGELES, CA 90005	10. DIRECTOR OF PROJECT (PROGRAM DIRECTOR/PRINCIPAL INVESTIGATOR) PAUL SIMON, M.D. MPH OFFICE OF HLTH ASSESSMENT & EPIDEMIOLOGY 313 N. FIGUEROA RM 127 LOS ANGELES, CA 90012

1. APPROVED BUDGET (EXCLUDES PHS DIRECT ASSISTANCE) PHS GRANT FUNDS ONLY TOTAL PROJECT COSTS INCLUDING GRANT FUNDS AND ALL OTHER FINANCIAL PARTICIPATION (PLACE NUMERAL ON LINE) <u>1</u> <table style="width:100%;"> <tr> <td style="width:80%;">SALARIES AND WAGES.....\$</td> <td style="width:20%; text-align: right;">1,613,366</td> </tr> <tr> <td>FRINGE BENEFITS.....\$</td> <td style="text-align: right;">540,006</td> </tr> <tr> <td>TOTAL PERSONNEL COSTS.....\$</td> <td style="text-align: right;">2,153,372</td> </tr> <tr> <td>CONSULTANT COSTS.....</td> <td style="text-align: right;">0</td> </tr> <tr> <td>EQUIPMENT.....</td> <td style="text-align: right;">20,200</td> </tr> <tr> <td>SUPPLIES.....</td> <td style="text-align: right;">61,500</td> </tr> <tr> <td>TRAVEL.....</td> <td style="text-align: right;">24,000</td> </tr> <tr> <td>PATIENT CARE-INPATIENT.....</td> <td style="text-align: right;">0</td> </tr> <tr> <td>PATIENT CARE-OUTPATIENT.....</td> <td style="text-align: right;">0</td> </tr> <tr> <td>ALTERATIONS AND RENOVATIONS.....</td> <td style="text-align: right;">0</td> </tr> <tr> <td>OTHER.....</td> <td style="text-align: right;">643,277</td> </tr> <tr> <td>CONSORTIUM/CONTRACTUAL COSTS.....</td> <td style="text-align: right;">2,050,486</td> </tr> <tr> <td>TRAINEE RELATED EXPENSES.....</td> <td style="text-align: right;">0</td> </tr> <tr> <td>TRAINEE STIPENDS.....</td> <td style="text-align: right;">0</td> </tr> <tr> <td>TRAINEE TUITION AND FEES.....</td> <td style="text-align: right;">0</td> </tr> <tr> <td>TRAINEE TRAVEL.....</td> <td style="text-align: right;">0</td> </tr> <tr> <td>TOTAL DIRECT COSTS.....\$</td> <td style="text-align: right;">4,952,835</td> </tr> <tr> <td>INDIRECT COSTS (0.00 % OF S&W/TADC) \$</td> <td style="text-align: right;">481,945</td> </tr> <tr> <td>TOTAL APPROVED BUDGET.....\$</td> <td style="text-align: right;">5,434,780</td> </tr> <tr> <td>SBIR FEE.....\$</td> <td style="text-align: right;">0</td> </tr> <tr> <td>FEDERAL SHARE.....\$</td> <td style="text-align: right;">5,434,780</td> </tr> <tr> <td>NON-FEDERAL SHARE.....\$</td> <td style="text-align: right;">0</td> </tr> </table>	SALARIES AND WAGES.....\$	1,613,366	FRINGE BENEFITS.....\$	540,006	TOTAL PERSONNEL COSTS.....\$	2,153,372	CONSULTANT COSTS.....	0	EQUIPMENT.....	20,200	SUPPLIES.....	61,500	TRAVEL.....	24,000	PATIENT CARE-INPATIENT.....	0	PATIENT CARE-OUTPATIENT.....	0	ALTERATIONS AND RENOVATIONS.....	0	OTHER.....	643,277	CONSORTIUM/CONTRACTUAL COSTS.....	2,050,486	TRAINEE RELATED EXPENSES.....	0	TRAINEE STIPENDS.....	0	TRAINEE TUITION AND FEES.....	0	TRAINEE TRAVEL.....	0	TOTAL DIRECT COSTS.....\$	4,952,835	INDIRECT COSTS (0.00 % OF S&W/TADC) \$	481,945	TOTAL APPROVED BUDGET.....\$	5,434,780	SBIR FEE.....\$	0	FEDERAL SHARE.....\$	5,434,780	NON-FEDERAL SHARE.....\$	0	12. AWARD COMPUTATION FOR FINANCIAL ASSISTANCE <table style="width:100%;"> <tr> <td style="width:80%;">A. AMOUNT OF PHS FINANCIAL ASSISTANCE (FROM 11.U).....\$</td> <td style="width:20%; text-align: right;">5,434,780</td> </tr> <tr> <td>B. LESS UNOBLIGATED BALANCE FROM PRIOR BUDGET PERIODS..\$</td> <td style="text-align: right;">2,986,690</td> </tr> <tr> <td>C. LESS CUMULATIVE PRIOR AWARD(S) THIS BUDGET PERIOD...\$</td> <td style="text-align: right;">2,448,090</td> </tr> <tr> <td>D. AMOUNT OF FINANCIAL ASSIST. THIS ACTION \$</td> <td style="text-align: right;">0</td> </tr> </table> 13. RECOMMENDED FUTURE SUPPORT (SUBJECT TO THE AVAILABILITY OF FUNDS AND SATISFACTORY PROGRESS OF THE PROJECT) <table style="width:100%;"> <tr> <td style="width:25%;">BUDGET YEAR</td> <td style="width:25%;">TOTAL DIRECT COSTS</td> <td style="width:25%;">BUDGET YEAR</td> <td style="width:25%;">TOTAL DIRECT COSTS</td> </tr> <tr> <td>A. 0</td> <td style="text-align: center;">0</td> <td>D. 0</td> <td style="text-align: center;">0</td> </tr> <tr> <td>B. 0</td> <td style="text-align: center;">0</td> <td>E. 0</td> <td style="text-align: center;">0</td> </tr> <tr> <td>C. 0</td> <td style="text-align: center;">0</td> <td>F. 0</td> <td style="text-align: center;">0</td> </tr> </table> 14. APPROVED DIRECT ASSISTANCE BUDGET (IN LIEU OF CASH) <table style="width:100%;"> <tr> <td style="width:80%;">A. AMOUNT OF PHS DIRECT ASSISTANCE.....\$</td> <td style="width:20%; text-align: right;">0</td> </tr> <tr> <td>B. LESS UNOBLIGATED BALANCE FROM PRIOR BUDGET PERIODS..\$</td> <td style="text-align: right;">0</td> </tr> <tr> <td>C. LESS CUMULATIVE PRIOR AWARDS FROM THIS BUDGET PERIOD\$</td> <td style="text-align: right;">0</td> </tr> <tr> <td>D. AMOUNT OF DIRECT ASSISTANCE THIS ACTION \$</td> <td style="text-align: right;">0</td> </tr> </table> 15. PROGRAM INCOME SUBJECT TO 45 CFR PART 74, SUBPART F, OR 45 CFR 92.25, SHALL BE USED IN ACCORDANCE WITH ONE OF THE FOLLOWING ALTERNATIVES: (SELECT ONE AND PUT LETTER IN BOX.) <table style="width:100%;"> <tr> <td style="width:50%;">A. DEDUCTION</td> <td style="width:50%;"></td> </tr> <tr> <td>B. ADDITIONAL COSTS</td> <td></td> </tr> <tr> <td>C. MATCHING</td> <td style="text-align: center; border: 1px solid black;">B</td> </tr> <tr> <td>D. OTHER RESEARCH (ADD/DEDUCT OPTION)</td> <td></td> </tr> <tr> <td>E. OTHER (SEE REMARKS)</td> <td></td> </tr> </table>	A. AMOUNT OF PHS FINANCIAL ASSISTANCE (FROM 11.U).....\$	5,434,780	B. LESS UNOBLIGATED BALANCE FROM PRIOR BUDGET PERIODS..\$	2,986,690	C. LESS CUMULATIVE PRIOR AWARD(S) THIS BUDGET PERIOD...\$	2,448,090	D. AMOUNT OF FINANCIAL ASSIST. THIS ACTION \$	0	BUDGET YEAR	TOTAL DIRECT COSTS	BUDGET YEAR	TOTAL DIRECT COSTS	A. 0	0	D. 0	0	B. 0	0	E. 0	0	C. 0	0	F. 0	0	A. AMOUNT OF PHS DIRECT ASSISTANCE.....\$	0	B. LESS UNOBLIGATED BALANCE FROM PRIOR BUDGET PERIODS..\$	0	C. LESS CUMULATIVE PRIOR AWARDS FROM THIS BUDGET PERIOD\$	0	D. AMOUNT OF DIRECT ASSISTANCE THIS ACTION \$	0	A. DEDUCTION		B. ADDITIONAL COSTS		C. MATCHING	B	D. OTHER RESEARCH (ADD/DEDUCT OPTION)		E. OTHER (SEE REMARKS)	
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REMARKS (OTHER TERMS AND CONDITIONS ATTACHED - ☒ YES ☐ NO)

SPONSOR: NATIONAL CENTER FOR HIV PREVENTION
 *IDC RATE BASE: SEE ATTACHED

PHS GRANTS MANAGEMENT OFFICER: (SIGNATURE) 		(NAME-TYPED/PRINT) CARLOS M. SMILEY		(TITLE) GRANTS MANAGEMENT OFFICER	
7. OBJ. CLASS. 41.51		18. CRS.EIN: 1-956000927-A1		19. LIST NO.: CL-079-L03	
FY-CAN	DOCUMENT NO.	ADMINISTRATIVE CODE	AMT.ACTION FIN.ASST	AMT.ACTION DIR.ASST	
D.A	B.	C.	D.	E.	
I.A	B.	C.	D.	E.	
O.A	B.	C.	D.	E.	

**NOTICE OF COOPERATIVE
AGREEMENT***(Continuation Sheet)***PAGE 2 OF 2****DATE ISSUED****JUL 03 2003****AWARD NO. U62/CCU906253-12-2****TERMS AND CONDITIONS OF THIS AWARD**

The purpose of this amended Notice of Award is to reduce this award as requested in the letter dated June 11, 2002. A revised budget under Program Announcement 00005 was submitted to reduce the award amount by \$196,406 due to an overestimate of FY2002 savings. The base award of \$5,631,186 will be reduced to \$5,434,780. This modification incorporates a prior request of augmentation of the Harbor-UCLA subcontract to support the addition of viral resistance monitoring as part of the Adult/Adolescent Spectrum of HIV related Disease Study (ASD).

<u>Budget Categories</u>	<u>Original Award</u>	<u>Redirection & Reduction</u>	<u>Revised Award</u>
Salaries & Wages	\$ 1,728,439	\$ (115,073)	\$ 1,613,366
Fringe Benefits	540,006	-	540,006
Equipment	23,950	(3,750)	20,200
Supplies	63,349	(1,849)	61,500
Travel	27,951	(3,951)	24,000
Other	700,039	(56,762)	643,277
Contractual	2,034,968	15,518	2,050,486
Total Direct Costs	\$ 5,118,702	\$ (165,867)	\$ 4,952,835
Indirect Costs	512,484	(30,539)	481,945
Total Costs	\$ 5,631,186	\$ (196,406)	\$ 5,434,780

All other terms and conditions remain the same and unchanged.

08/08/2003

73.744

EXHIBIT III
PUBLIC HEALTH SERVICE
CENTERS FOR DISEASE CONTROL AND PREVENTION

NOTICE OF COOPERATIVE AGREEMENT

AUTHORIZATION (LEGISLATION/REGULATION)
PHS ACT, SECT 301(A), 311, 317(K)(3)

1. SUPERSEDES AWARD NOTICE DATED 07/03/2003
EXCEPT THAT ANY ADDITIONS OR RESTRICTIONS
PREVIOUSLY IMPOSED REMAIN IN EFFECT UNLESS SPECIFICALLY RESCINDED.

4. GRANT NO. U62/CCU906253-12-3
5. ADMINISTRATIVE CODES CCU62
6. PROJECT PERIOD FROM 01/01/1991 THROUGH 12/31/2003
7. BUDGET PERIOD FROM 01/01/2003 THROUGH 12/31/2003

1. TITLE OF PROJECT (OR PROGRAM)

HIV/AIDS SURVEILLANCE & SEROPREVALENCE

2. GRANTEE NAME AND ADDRESS

LOS ANGELES COUNTY DEPT OF HEALTH SVCS
OFFICE OF AIDS PROGRAMS AND POLICY
600 S. COMMONWEALTH AVE, SUITE 1920
LOS ANGELES, CA 90005

10. DIRECTOR OF PROJECT (PROGRAM DIRECTOR/PRINCIPAL INVESTIGATOR)

PAUL SIMON, M.D. MPH
OFFICE OF HLTH ASSESSMENT & EPIDEMIOLOGY
313 N. FIGUEROA RM 127
LOS ANGELES, CA 90012

1. APPROVED BUDGET (EXCLUDES PHS DIRECT ASSISTANCE)

PHS GRANT FUNDS ONLY
TOTAL PROJECT COSTS INCLUDING GRANT FUNDS AND ALL OTHER FINANCIAL PARTICIPATION

(PLACE NUMERAL ON LINE)

I.

.. SALARIES AND WAGES.....\$ 1,613,366
.. FRINGE BENEFITS.....\$ 540,006
.. TOTAL PERSONNEL COSTS.....\$ 2,153,372
.. CONSULTANT COSTS.....\$ 50,000
.. EQUIPMENT.....\$ 20,200
.. SUPPLIES.....\$ 61,500
.. TRAVEL.....\$ 24,000
.. PATIENT CARE-INPATIENT.....\$ 0
.. PATIENT CARE-OUTPATIENT.....\$ 0
.. ALTERATIONS AND RENOVATIONS.....\$ 0
.. OTHER.....\$ 678,277
.. CONSORTIUM/CONTRACTUAL COSTS.....\$ 2,050,486
.. TRAINEE RELATED EXPENSES.....\$ 0
.. TRAINEE STIPENDS.....\$ 0
.. TRAINEE TUITION AND FEES.....\$ 0
.. TRAINEE TRAVEL.....\$ 0
.. TOTAL DIRECT COSTS.....\$ 5,037,835
.. INDIRECT COSTS (0.00 % OF SAM/TAUC).....\$ 481,945
.. TOTAL APPROVED BUDGET.....\$ 5,519,780
.. GRANT FEE.....\$ 0
.. FEDERAL SHARE.....\$ 5,519,780
.. NON-FEDERAL SHARE.....\$ 0

12. AWARD COMPUTATION FOR FINANCIAL ASSISTANCE

A. AMOUNT OF PHS FINANCIAL ASSISTANCE (FROM 11.II).....\$ 5,519,780
B. LESS UNOBLIGATED BALANCE FROM PRIOR BUDGET PERIODS...\$ 2,986,690
C. LESS CUMULATIVE PRIOR AWARD(S) THIS BUDGET PERIOD...\$ 2,448,090
D. AMOUNT OF FINANCIAL ASSIST. THIS ACTION \$ 85,000

13. RECOMMENDED FUTURE SUPPORT (SUBJECT TO THE AVAILABILITY OF FUNDS AND SATISFACTORY PROGRESS OF THE PROJECT)

BUDGET YEAR	TOTAL DIRECT COSTS	BUDGET YEAR	TOTAL DIRECT COSTS
A. 0	0	D. 0	0
B. 0	0	E. 0	0
C. 0	0	F. 0	0

14. APPROVED DIRECT ASSISTANCE BUDGET (IN LIEU OF CASH)

A. AMOUNT OF PHS DIRECT ASSISTANCE.....\$ 0
B. LESS UNOBLIGATED BALANCE FROM PRIOR BUDGET PERIODS...\$ 0
C. LESS CUMULATIVE PRIOR AWARDS FROM THIS BUDGET PERIOD...\$ 0
D. AMOUNT OF DIRECT ASSISTANCE THIS ACTION \$ 0

15. PROGRAM INCOME SUBJECT TO 45 CFR PART 74, SUBPART F, OR 45 CFR 92.25. SHALL BE USED IN ACCORDANCE WITH ONE OF THE FOLLOWING ALTERNATIVES: (SELECT ONE AND PUT LETTER IN BOX.)

A. DEDUCTION
B. ADDITIONAL COSTS
C. MATCHING
D. OTHER RESEARCH (ADD/DEDUCT OPTION)
E. OTHER (SEE REMARKS)

B

THIS AWARD IS BASED ON AN APPLICATION SUBMITTED TO, AND AS APPROVED BY, THE PHS ON THE ABOVE TITLED PROJECT AND IS SUBJECT TO THE TERMS AND CONDITIONS INCORPORATED EITHER DIRECTLY OR BY REFERENCE IN THE FOLLOWING:
A. THE GRANT PROGRAM LEGISLATION CITED ABOVE. B. THE GRANT PROGRAM REGULATION CITED ABOVE. C. THIS AWARD NOTICE INCLUDING TERMS AND CONDITIONS, IF ANY, NOTED BELOW UNDER REMARKS. D. PHS GRANTS POLICY STATEMENT INCLUDING ADDENDA IN EFFECT AS OF THE BEGINNING DATE OF THE BUDGET PERIOD. E. 45 CFR PART 74 OR 45 CFR PART 92.25, AS APPLICABLE. IN THE EVENT THERE ARE CONFLICTING OR OTHERWISE INCONSISTENT POLICIES APPLICABLE TO THE GRANT, THE ABOVE ORDER OF PRECEDENCE SHALL PREVAIL. ACCEPTANCE OF THE GRANT TERMS AND CONDITIONS IS ACKNOWLEDGED BY THE GRANTEE WHEN FUNDS ARE DRAWN OR OTHERWISE OBTAINED FROM THE GRANT PAYMENT SYSTEM.

REMARKS (OTHER TERMS AND CONDITIONS ATTACHED) X YES NO

SPONSOR: NATIONAL CENTER FOR HIV PREVENTION
*IDC RATE BASE: SEE ATTACHED

PHS GRANTS MANAGEMENT OFFICER: (SIGNATURE) <i>Carlos M. Smiley</i>		(NAME-TYPED/PRINT) CARLOS M. SMILEY		(TITLE) GRANTS MANAGEMENT OFFICER	
7. OBJ. CLASS. 41.51		18. CRS.EIN: 1-956000927-A1		19. LIST NO.: CO-087-L03	
FY-CAN 03-11515 03-9213036		DOCUMENT NO. CCU906253		ADMINISTRATIVE CODE CCU62	
1.A		B.		D.	
2.A		C.		E.	
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		E.		G.	
		F.		H.	
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		CN.		CP.	
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		CQ.		CS.	
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		IU.		IW.	
		IV.		IX.	
		IW.		IY.	
		IX.		IZ.	
		IY.		JA.	
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		JB.		JD.	
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		JD.		JF.	
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		JF.		JH.	
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		JH.		JJ.	
		JI.		JK.	
		JJ.		JL.	
		JK.			

NOTICE OF COOPERATIVE AGREEMENT (Continuation Sheet)	Page 1 of 3	AUG 13 2003	Date Issued:
	Award No. U62/CCU906253-12-3		

The purpose of this Supplemental Agreement is to provide funding in support of the HIV/AIDS Surveillance, HIV Incidence, and HIV Prevalence Studies for FY 2003 under Program Announcement No. 00005.

Your organization was selected for participation in the following study:

Part I: Behavioral Surveillance

Purpose:

The purpose of this program is to: (1) develop an ongoing surveillance system to ascertain the prevalence of, and trends in HIV risk behaviors among MSM and IDUs for use in developing and directing national prevention services and programs; and (2) evaluate the impact of a variety of prevention efforts.

This system will assess risk behaviors and trends in behaviors over time among persons over 18 year of age at high risk for HIV infection through sexual behavior between men and injection drug use. This program may be expanded to include high risk heterosexuals. Utilization of HIV prevention programs, including HIV testing, will be assessed.

Part 2: Web Site

When CDC funds are used to create a web site, the following statement should appear on the screen: "This site contains HIV Prevention messages that may not be appropriate for all audiences. If you are not seeking such information, or may be offended by such materials, please exit this website."

Based on the above, the supplemental funds of \$85,000 is hereby provided as agreed upon via budget discussions and in accordance with 45 CFR 92.30, Changes:

Budget Categories	Approved Budget	Supplemental Change	Revised Award
Salaries & Wages	1,613,366		1,613,366
Fringe Benefits	540,006		540,006
Equipment	20,200		20,200
Supplies	61,500		61,500
Travel	24,000		24,000
Other	643,277	35,000	678,277
Contracts	2,050,486		2,050,486
Consultants		50,000	50,000
Total Direct Costs	4,952,835	85,000	5,037,835
Indirect Costs	481,945		481,945
Total Costs	5,434,780	85,000	5,519,780

NOTICE OF COOPERATIVE AGREEMENT (Continuation Sheet)	Page 2 of 3	Date Issued:
	AUG 13 2003 Award No. U62/CCU906253-12-3	

Performance Period: August 1, 2003 through December 31, 2003.

Performance Restrictions:

Funds shall not be used for any direct STARHS activities (obtaining consent from individuals, testing specimens, training counselors to obtain consent or return results) until an approved local IRB protocol has been reviewed by the CDC and the FDA 30 day comment period has passed. Where specimens will be tested unlinked, the anonymization protocol must be approved by CDC prior to implementation.

Reporting Requirements:

Grantee shall submit findings, results from this study, in conjunction with the requirement for the submission of your Annual Report. Due: April 1, 2004.

Distribution of the Data Reports:

One Copy each:

Barbara Meek, Program Consultant
Centers for Disease Control and Prevention (CDC)
Behavioral & Clinical Surveillance Branch (BCSB)

Telephone No. 404-639-3288
Fax No. 404 639 8640
E-mail: bam4@cdc.gov

- (2) Ann Cole, Grants Management Specialist
Centers for Disease Control And Prevention (CDC)
Procurement and Grants Office
2920 Brandywine Road, Room 3000, MS E-15
Atlanta, GA 30341-5539

Telephone No. 770-488-2731
Fax No. 770-488-2670 or 2671
Email: Jcole@cdc.gov

All other terms and conditions remain unchanged and in full force and effect.

PLEASE REFERENCE YOUR AWARD NUMBER ON ALL CORRESPONDENCE.

NOTICE OF COOPERATIVE AGREEMENT (Continuation Sheet)	Page 3 of 3	Date Issued: AUG 13 2003
	Award No. U62/CCU906253-12-3	

CDC Contact List:

<u>GRANTS SPECIALIST</u> Ann Cole Contract Specialist Centers for Disease Control & Prevention Procurement and Grants Office (PGO) 2920 Brandywine Rd., Suite 3000 Atlanta, GA 30341 Telephone: (770) 488- 2731 Fax: (770) 488-2670 E-mail: zlr5@cdc.gov	<u>PROGRAM CONSULTANT</u> Barbara Meek Program Consultant Centers for Disease Control & Prevention Atlanta, GA Telephone: (404) 639-3288 Fax: (404) 639-8640 E-Mail: bam4@cdc.gov
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NOTICE OF COOPERATIVE AGREEMENT

AUTHORIZATION (LEGISLATION/REGULATION)

PHS ACT 301A, 317K, 42 USC241A, 274B

Original

1. SUPERSEDES AWARD NOTICE DATED EXCEPT THAT ANY ADDITIONS OR RESTRICTIONS PREVIOUSLY IMPOSED REMAIN IN EFFECT UNLESS SPECIFICALLY RESCINDED.	
4. GRANT NO. U62/CCU923322-01	5. ADMINISTRATIVE CODES CCU62
6. PROJECT PERIOD FROM 09/30/2003	THROUGH 09/29/2006
7. BUDGET PERIOD FROM 09/30/2003	THROUGH 09/29/2004

8. TITLE OF PROJECT (OR PROGRAM)

HIV RISK BEHAVIOR SERV'LANCE AMOUNG MEN WHO HAVE SEX WITH MEN

9. GRANTEE NAME AND ADDRESS

L.A. COUNTY DEPT. OF HEALTH SERVICES
HIV EPIDEMIOLOGY PROGRAM
600 S. COMMONWEALTH AVENUE, STE. 1920
LOS ANGELES, CA 90005

10. DIRECTOR OF PROJECT (PROGRAM DIRECTOR/PRINCIPAL INVESTIGATOR)

TRISTA BINGHAM, MPH
HIV EPIDEMIOLOGY
600 S. COMMONWEALTH AVENUE, STE. 1920
LOS ANGELES, CA 90005

11. APPROVED BUDGET (EXCLUDES PHS DIRECT ASSISTANCE)

PHS GRANT FUNDS ONLY TOTAL PROJECT COSTS INCLUDING GRANT FUNDS AND ALL OTHER FINANCIAL PARTICIPATION (PLACE NUMERAL ON LINE) <u>I</u>	
SALARIES AND WAGES.....\$	26,366
FRINGE BENEFITS.....\$	9,412
TOTAL PERSONNEL COSTS.....\$	35,778
CONSULTANT COSTS.....	0
EQUIPMENT.....	9,000
SUPPLIES.....	1,000
TRAVEL.....	0
PATIENT CARE-INPATIENT.....	0
PATIENT CARE-OUTPATIENT.....	0
ALTERATIONS AND RENOVATIONS.....	0
OTHER.....	14,270
CONSORTIUM/CONTRACTUAL COSTS.....	53,595
TRAINEE RELATED EXPENSES.....	0
TRAINEE STIPENDS.....	0
TRAINEE TUITION AND FEES.....	0
TRAINEE TRAVEL.....	0
TOTAL DIRECT COSTS.....\$	113,643
INDIRECT COSTS (29.29 % OF S&W/TADC) \$	7,723
TOTAL APPROVED BUDGET.....\$	121,366
SBIR FEE.....\$	0
FEDERAL SHARE.....\$	121,366
NON-FEDERAL SHARE.....\$	0

12. AWARD COMPUTATION FOR FINANCIAL ASSISTANCE

A. AMOUNT OF PHS FINANCIAL ASSISTANCE (FROM 11.U).....\$	121,366
B. LESS UNOBLIGATED BALANCE FROM PRIOR BUDGET PERIODS..\$	0
C. LESS CUMULATIVE PRIOR AWARD(S) THIS BUDGET PERIOD...\$	0
D. AMOUNT OF FINANCIAL ASSIST. THIS ACTION \$	121,366

13. RECOMMENDED FUTURE SUPPORT (SUBJECT TO THE AVAILABILITY OF FUNDS AND SATISFACTORY PROGRESS OF THE PROJECT)

BUDGET YEAR	TOTAL DIRECT COSTS	BUDGET YEAR	TOTAL DIRECT COSTS
A. 2	121,366	D. 0	0
B. 3	121,366	E. 0	0
C. 0	0	F. 0	0

14. APPROVED DIRECT ASSISTANCE BUDGET (IN LIEU OF CASH)

A. AMOUNT OF PHS DIRECT ASSISTANCE.....\$	0
B. LESS UNOBLIGATED BALANCE FROM PRIOR BUDGET PERIODS..\$	0
C. LESS CUMULATIVE PRIOR AWARDS FROM THIS BUDGET PERIOD\$	0
D. AMOUNT OF DIRECT ASSISTANCE THIS ACTION \$	0

15. PROGRAM INCOME SUBJECT TO 45 CFR PART 74, SUBPART F, OR 45 CFR 92.25, SHALL BE USED IN ACCORDANCE WITH ONE OF THE FOLLOWING ALTERNATIVES: (SELECT ONE AND PUT LETTER IN BOX.)

A. DEDUCTION
B. ADDITIONAL COSTS
C. MATCHING
D. OTHER RESEARCH (ADD/DEDUCT OPTION)
E. OTHER (SEE REMARKS)

B

THIS AWARD IS BASED ON AN APPLICATION SUBMITTED TO, AND AS APPROVED BY, THE PHS ON THE ABOVE TITLED PROJECT AND IS SUBJECT TO THE TERMS AND CONDITIONS INCORPORATED EITHER DIRECTLY OR BY REFERENCE IN THE FOLLOWING:
A. THE GRANT PROGRAM LEGISLATION CITED ABOVE. B. THE GRANT PROGRAM REGULATION CITED ABOVE. C. THIS AWARD NOTICE INCLUDING TERMS AND CONDITIONS, IF ANY, NOTED BELOW UNDER REMARKS. D. PHS GRANTS POLICY STATEMENT INCLUDING ADDENDA IN EFFECT AS OF THE BEGINNING DATE OF THE BUDGET PERIOD. E. 45 CFR PART 74 OR 45 CFR PART 92 AS APPLICABLE. IN THE EVENT THERE ARE CONFLICTING OR OTHERWISE INCONSISTENT POLICIES APPLICABLE TO THE GRANT, THE ABOVE ORDER OF PRECEDENCE SHALL PREVAIL. ACCEPTANCE OF THE GRANT TERMS AND CONDITIONS IS ACKNOWLEDGED BY THE GRANTEE WHEN FUNDS ARE DRAWN OR OTHERWISE OBTAINED FROM THE GRANT PAYMENT SYSTEM.

REMARKS (OTHER TERMS AND CONDITIONS ATTACHED - YES ☒ NO)

SPONSOR: NATIONAL CENTER FOR HIV PREVENTION

*IDC RATE BASE: SEE ATTACHED

16. GRANTS MANAGEMENT OFFICER: (SIGNATURE) <i>Carlos M. Smiley</i>		(NAME-TYPED/PRINT) CARLOS M. SMILEY		(TITLE) GRANTS MANAGEMENT OFFICER	
7. OBJ. CLASS. 41.51		18. CRS.EIN: 1-956000927-A1		19. LIST NO.: C0-112-L03	
FY-CAN A03-11515 03-92100FU		DOCUMENT NO. B. CCU923322	ADMINISTRATIVE CODE C. CCU62	AMT. ACTION FIN. ASST D. 121,366	AMT. ACTION DIR. ASST E. 0
A		B	C	D	E
A		B	C	D	E

<u>NOTICE</u>	<u>NOTICE</u>	<u>NOTICE</u>
COOPERATIVE AGREEMENT #: U62/CCU923322-01		
GRANTEE:LOS ANGELES COUNTY DEPT. OF HEALTH		

SEE: SECTION H – SPECIAL AWARD CONDITIONS

Effective Date: 09/6/03

FUNDING INVOLVING HUMAN SUBJECTS - AMOUNT

RESTRICTED: \$60,000.00

FUNDING NOT INVOLVING HUMAN SUBJECTS BEING
RELEASED AND AUTHORIZED FOR USE AT THIS TIME.

TABLE OF CONTENTS

SECTION B - FINANCIAL RECAPITULATION DOCUMENTATION

Program Announcement and Application Submission
 Contingency of Funds
 Incremental Funding
 Indirect Rates
 Unobligated Balances
 Direct Assistance

SECTION C - SCOPE OF WORK RESPONSIBILITIES

Program Requirements
 Recipient Activities
 CDC Activities

SECTION D - PROGRESS REPORT REQUIREMENTS

Annual Progress Report Requirements
 Compliance with Contents of AIDS Related Written Materials
 Financial Status Report

SECTION E - RESERVED

SECTION F - RESERVED

SECTION G - AWARD ADMINISTRATION DATA

Direct vs. Manual Drawdown
 Contact Information (i.e. GMO, GMS, P.O.)
 Definitions

SECTION H - SPECIAL AWARD CONDITIONS

Technical Review
 Publications
 Computer Requirements
 Restrictions
 Key Personnel

SECTION I - SPECIAL PROVISIONS

SECTION B - FINANCIAL RECAPITULATION

Program Announcement Number 03095 Year 01

Description *Evaluation of Web-Based HIV Risk Behavior Surveillance Among Men Who Have Sex With Men*

B.1 Contingency of Funds

This is a multiple year cooperative agreement, with a Project period from September 29, 2003 – September 29, 2006. Contingent upon the availability of funds, your continued satisfactory performance, the best interest of the Government, and your compliance with the terms and conditions identified herein, the CDC anticipates providing continued support at the approximate levels as identified below for years 2 and 3.

YEAR	FUNDING
Year 1 FUNDED: 2003 - 2004	\$121,366.00
Year 2 FUNDED/Projected: 2004 - 2005	\$
Year 3 FUNDED/Projected: 2005 - 2006	\$
Total year to Date Funding	\$121,366.00
Year 2 FUNDED/Projected: 2004 - 2005	\$121,366.00
Year 4 FUNDED/Projected Final Year: 2005 - 2006	\$121,366.00
Total Lifecycle Funds: Obligated and Projected	\$364,098.00

B.2 Incremental Funding

CDC has made allotments in the amounts as stated above. The recipient will be given written notification by the CDC grants officer within 45 days of any expiring budget year. Agreement on the upcoming budget shall be reached prior to any additional multi-year funds being made available for any continuation (follow-on) of funding. However, if level funding is anticipated, the recipient shall only receive a modification to the existing funding to incorporate the continuation (follow-on) years' budget. CDC shall not be obligated to reimburse the recipient for the expenditure of amounts in excess of the total funds obligated by CDC in any budget period.

B.3 Indirect Rate:

Los Angeles County Department of Health indirect cost rate for this award is 29.29%.

B.4 UNOBLIGATED BALANCE (Carryover): Unobligated funds were not used for this budget period.

B.5 DIRECT ASSISTANCE: {Not Applicable}

SECTION C - SCOPE OF WORK RESPONSIBILITIES**Purpose:**

The Centers for Disease Control and Prevention (CDC) announces the availability of fiscal year (FY) 2003 funds for a cooperative agreement program for evaluating web-based risk behavior surveillance among men who have sex with men (MSM). This program addresses the "Healthy People 2010" focus area of HIV.

The purpose of the program is to: (1) field test internet-based behavioral surveillance as an alternate venue for the national behavioral surveillance system; (2) identify the proportion of men who have sex with men (MSM) who are internet users and who do not attend venues where MSM are more commonly known to attend (MSM-identified venues); and (3) examine the comparability of behavioral risks between MSM recruited through internet-based versus more traditional venue-based sampling methods.

Measurable outcomes of the program will be in alignment with the following performance goal for the National Center for HIV/STB/TB Prevention (NCHSTP): Strengthen the capacity nationwide to monitor the epidemic, develop and implement effective HIV prevention interventions and evaluate prevention programs.

Background

A national behavioral surveillance system for MSM is expected to begin in 20 United States cities in 2003 using a venue-based, time-space sampling method. While several studies suggest that venue-based sampling is representative of most MSM, an increasing proportion of MSM may be using the Internet to meet sex partners and may not be available for sampling through a more traditional venue-based approach. Previous reports have identified high Internet usage (50 to 75 percent) and seeking of sex partners through the Internet (35 to 67 percent) among MSM. An outbreak of syphilis was also identified among an Internet-originated network of MSM denoting that men who meet partners through the Internet are at risk of acquiring sexually transmitted diseases. (For additional information please see Klausner JD, et al. " Tracing a syphilis outbreak through cyberspace" *JAMA* 2000; 284(4): 447-9.) Other studies have shown that an Internet-based approach to collecting behavioral risk data are comparable to more conventional methods such as mail, telephone and in-person surveys, and may be superior in sampling MSM that are hard to reach at traditional MSM venues. Methodologies have also been developed to address confidentiality and duplication of data.

Eligible Applicants

Applications may be submitted by sites that are currently funded by CDC to conduct behavioral surveillance under Program Announcement 00005, entitled, " HIV/AIDS Surveillance Cooperative Agreements," and other specified sites that are eligible to apply for funding in 2003.

These other sites are the state or local health departments whose jurisdictions include the top 15 Metropolitan Statistical Areas (MSA's) by number of people living with AIDS at the end of 1999 as reported in "HIV/AIDS Surveillance Supplemental Report," (2000; 7(No.1: 10-11).

These sites are the directly funded city health departments of:

New York City, NY
 Los Angeles, CA
 San Francisco, CA
 Chicago, IL
 Houston, TX
 Philadelphia, PA

These sites are the state health departments containing the following MSA's:

Washington, DC
 Miami, FL and Ft Lauderdale, FL;
 Atlanta, GA
 Boston, MA
 Baltimore, MD
 San Juan, PR
 Newark, NJ
 Dallas, TX

An additional five areas are also eligible to apply in 2003: these are State health departments containing the following MSAs:

Detroit, MI
 New Haven, CT
 New Orleans, LA
 San Diego, CA
 Seattle, WA.

One of the purposes of this program is to compare the web-based behavioral surveillance project with the new national behavioral surveillance initiative. This requires that project activities be conducted in the same project areas previously funded for comparability of data.

Note: Title 2 of the United States Code section 1611 states that an organization described in section 501(c)(4) of the Internal Revenue Code that engages in lobbying activities is not eligible to receive Federal funds constituting an award, grant or loan.

Funding

Availability of Funds:

Approximately \$500,000 is available in FY 2003, to fund approximately four awards. It is expected that the average award will be \$125,000, ranging from \$125,000 to \$250,000. It is expected that the awards

will begin on or about August 1, 2003 and will be made for a 12-month budget period within a project period of up to three years. Funding estimates may change.

Continuation awards within an approved project period will be made on the basis of satisfactory progress as evidenced by required reports and the availability of funds.

Use of Funds

Funds are awarded for a specifically defined purpose and may not be used for any other purpose or program. Funds may be used to support personnel and to purchase equipment, supplies, and services directly related to project activities. Funds may not be used to supplant state or local health department funds available for HIV Prevention and Surveillance. Funds may not be used to provide direct medical care or prevention case management.

Funding Preference:

Funding preferences may be given to achieve geographic distribution.

Recipient Financial Participation:

Matching funds are not required for this program.

1. Recipient Activities

Collaborate with CDC and other funded sites to develop a protocol for an internet-based behavioral surveillance project.

Participate in required planning meetings with other funded sites and CDC.

Conduct formative research to determine sites (chat rooms, websites, etc.) in which recruitment of study participants will occur.

Collaborate with CDC and other funded sites to develop and test an internet-based behavioral risk factor survey.

Collaborate with CDC and other funded sites to identify or develop a local project website where the survey instrument will reside.

In accordance with a study protocol, administer the survey to a minimum of 500 MSM sampled through time-space or probability sampling methods, including significant representation of persons of color.

Collaborate with CDC and other funded sites to develop and implement a local public information campaign.

Maintain a secure environment to protect the security and confidentiality of data obtained in this activity.

Report project data to CDC in a timely manner according to established protocols for data collection, quality assurance, storage and transfer.

Disseminate findings for use in state/local prevention and treatment services planning and evaluation.

2. CDC Activities:

Develop and test an internet-based survey instrument.

Create and maintain a project database and data management system, including systems to address data security and duplication of participants.

Provide technical assistance and expertise for website selection and development.

Provide technical support on all web-based technologies, software and data base issues.

Facilitate the development of site-specific operational plans.

Provide technical assistance to support implementation of agreed upon methods to accomplish project objectives.

Participate in the analysis and dissemination of data. Conduct and/or coordinate analyses of the multi-site data and distribute information to support national HIV prevention and surveillance efforts.

SECTION D - PROGRESS REPORT REQUIREMENTS

45 CFR 74.51 Monitoring and reporting program performance.

(a) Recipients are responsible for managing and monitoring each project, program, subaward, function or activity supported by the award. Recipients shall monitor subawards to ensure that subrecipients have met the audit requirements as set forth in Sec. 74.26. (Non-Federal Audits)

(b) Progress Reporting shall be accomplished on a ANNUAL basis as follows:

CONTENT OF REPORT:

Your progress report shall be submitted on an annual basis.

The **progress report** must include the following for each program, function, or activity involved:

- (1) a description of the program accomplishments and a comparison of actual accomplishments with the objectives established in the work plan for the funding period;
- (2) other pertinent information that includes, but not limited to analysis and explanation of unexpected delays or high costs of performance and a listing of presentations and publications produced by, supported by, or related to program activities; and
- (3) summary of data (subject to approval by the Office of Management and Budget (OMB)).

Due Date:

December 29, 2004

Additional Reporting Requirements:

- | | | |
|---|---|---------------------|
| • Compliance with Content of AIDS Related Written Materials | - | DUE: ANNUALLY: With |
| the submission of the Annual Report. | | |
| • Final Technical Report | - | DUE DATE: 90 Days |
| after the end of the Project Period: December 31, 2006 | | |
| • Financial Status Report (FSR) | - | DUE: Annually |
| ○ 90 Days after the end of the Budget Period: | | |
| ▪ December 31, 2004 | | |

- December 31, 2005
- December 31, 2006

SECTION E - RESERVED

SECTION F - RESERVED

SECTION G - ADMINISTRATIVE INFORMATION

G.1 PAYMENT INFORMATION

Payment under this award will be on the direct payment method.

At CDC, recipients are placed on one of two methods of payment.

These are **Direct Drawdown or Direct**, and **Manual Drawdown or Manual**. It is preferred that Recipients maintain good standing in all fiscal and programmatic areas, thus, maintaining status on a direct drawdown basis, however, under certain conditions, recipients are placed on manual drawdown. For those recipients placed on manual drawdown, the CDC GMO will monitor and control all payment advances for your award. Therefore, PMS 270 forms, as well as correspondence related to payments must be forwarded to the attention of your assigned GMS.

If you are authorized Direct Drawdown, funds will be obtained directly through the Payment Management System (PMS). PMS is administered by the Division of Payment Management, Program Support Center, DHHS. The PMS will forward the following information to you:

- (1) the DHHS Manual for Recipients Financed Under the Payment Management System (PMS)
- (2) the PMS-272 (Status of Federal Cash) forms
- (3) PMS Contact person that is responsible for your account
- (4) Instructions regarding direct deposit and other payment routes.

PMS correspondence, mailed through the U. S. Postal Service, should be addressed as follows:

Division of Payment Management, FMS/PSC/HHS,
P. O. Box 6021
Rockville, MD 20852.

If a carrier other than the U. S. Postal Service is used, such as United Parcel Service, Federal Express, or other commercial service, the correspondence should be addressed as follows:

Division of Payment Management, FMS/PSC/HHS,
Rockwall Building #I, Suite 700,
11400 Rockville Pike,
Rockville, MD 20852.

G.2 CDC CONTACT LIST

GRANTS MANAGEMENT SPECIALIST:

Roslyn Curington
Grants Management Specialist
Centers for Disease Control and Prevention (CDC)
2920 Brandywine Road, Suite 3000, MS E-15
Atlanta, Georgia 30341-4146
Telephone: 770-488-2767
Fax: 770-488-2670
Email: rcurington@cdc.gov

CDC PROJECT OFFICER:

Travis Sanchez
Project Officer
Centers for Disease Control and Prevention (CDC)

National Center for HIV, STD, & TB Prevention (NCHSTP)
 Division of HIV/AIDS Prevention (DHAP)
 1600 Clifton Road, MS E-58
 Atlanta, Georgia 30333
 Telephone: 404-639-1742
 Fax: 404-639-8640
 Email: tps1@cdc.gov

G.3 Glossary of Definitions

Allowable Cost-A cost incurred by a awardee that is reasonable for the performance of the award; allocable to a specific grant project or activity; is accorded consistent treatment; and is in conformance with any limitations or exclusions in the Federal Cost principles applicable to the organization incurring the cost.

Approved Budget-The financial expenditure plan (as shown in the Notice of Award), including any revisions approved by CDC for the grant-supported project. The approved budget may consist of Federal grant funds and/or non-Federal funds.

Budget Period-The interval of time (usually 12 months) into which the project period is divided for budgetary and funding purposes.

Carryover Balance-Unobligated funds from a previous funding period under a grant that are authorized for use to cover allowable costs in a current funding period.

Closeout-The process by which CDC determines whether all applicable administrative actions and all work required by the grant have been completed by the recipient and the awarding agency for a project.

Direct Cost-A cost that can be specifically identified with a particular project or program.

Disallowed Cost-A proposed cost that is determined to be unallowable by the Grants Management Office.

Equipment-Tangible nonexpendable personal property that has a useful life of more than 1 year and an acquisition cost of \$5000 or more per unit. However, consistent with recipient policy, lower limits may be established.

Financial Status Report- A report of expenditures of the financial status of grants/cooperative agreements according to the official accounting records of the grantee organization. A standard Federal form, SF-269 (long form) or SF-269A (short form), used to monitor the financial progress of the grant/cooperative agreement and show the status of funds in non-construction programs. Both forms require data by grant/cooperative agreement budget period and information on total outlays (Federal share) and unobligated recipient balances.

Grantee/Grant Recipient-The organization or individual to which a grant or cooperative agreement is awarded, and which is responsible and accountable for the use of the funds provided and for the performance of grant-supported activities.

Grants Management Specialist- A Federal staff member who oversees the business and other non-programmatic aspects of one or more grants and /or cooperative agreements. These activities include, but are not limited to, evaluating grant applications. These activities content and compliance with regulations and guidelines, negotiating grants, providing consultation and technical assistance to recipients, post-award administration, and closing out grants.

Indirect Cost-A cost that is incurred by the grantee organization for common or joint objectives and which therefore cannot be identified specifically with a particular project or program.

Matching or Cost Sharing-The value of allowable third party in-kind contributions and the allowable costs of a federally assisted project or program not borne by the Federal Government.

Monitoring-A process whereby the programmatic and business management performance of a grant are continuously reviewed through the collection and assessment of information gathered from audit, financial, and progress reports; continuation applications; correspondence; grantee Board minutes; newspaper articles; site visits; and other sources.

Monitoring also includes taking corrective action, as needed.

Noncompeting Extension-CDC approval of additional time, not to exceed 12 months, to any budget period, including the final budget period, of a previously approved project period. The extension may be made with or without additional funds.

Outlays or Expenditures-Charges made to the CDC sponsored program, which may be reported on a cash or accrual basis.

Prior Approval-The written permission provided by the CDC granting official before the recipient may undertake certain activities (such as performance or modification of an activity), expended funds, or exceed a certain dollar level.

G.3 Glossary of Definitions - continued

Progress Report- A recipient report, which contains, for each grant/cooperative agreement, information on the comparison of actual accomplishments to objectives established for the period. In addition, where the output of the project can be quantified, a computation of the unit of output may be required.

Project Period-The total time for which support of a project has been programmatically approved. A project period may consist of one or more budget periods. The total project period comprises the original project period and any extensions.

Redirection- Redirection of funds occurs when the grantee determines that they need to spend a different amount of money (either more or less) in an approved budget category during the current budget period and that the project can be improved if the awarded funds are redirected to other budget categories.

Restricted Cost (Special Award Condition)-A cost for which additional information is needed, or additional requirements must be met by the recipient prior to spending.

Substantive Programmatic Work-The primary project activities for which grant support is provided and/or a significant portion of the activities to be conducted under the grant.

Suspension-A temporary withdrawal of the grantee's authority to obligate grants funds pending corrective action by the grantee as specified by CDC or a decision by CDC to terminate the grant.

Termination-Permanent withdrawal of a grantee's authority to obligate previously awarded grant funds before that authority would otherwise expire, including the voluntary relinquishment of that authority by the grantee.

Unliquidated Obligation-On a cash basis this is the amount of obligations incurred by the recipient that has not been paid. On an accrued expenditure basis, it is the amount of obligations incurred by the recipient for which an outlay has not been recorded.

Unobligated Balance-That portion of the funds awarded by CDC that has not been obligated by the recipient.

Withholding of Support-A decision by the awarding office not to make a non-competing continuation award within a previously approved project period.

SECTION H - SPECIAL AWARD CONDITIONS 45 CFR 74.14

NOTE 1 TECHNICAL REVIEW:

NOTE 2 PUBLICATIONS:

All recipients are reminded that all written materials, audio-visual materials, pictorials, questionnaires, survey instruments, websites, educational curricula and other relevant program materials have to be reviewed and approved by an established program review panel.

NOTE 3 COMPUTER AND E-MAIL SYSTEMS:

All recipients must update their computer and e-mail systems to be compatible with CDC.

NOTE 4

RESTRICTIONSAward #U62/CCU923322-01

Reason for Restricted Award: OHRP approved assurances and IRB approvals are required to be in place before any research involving human subjects can be approved to begin.

Effective Date: 09/6/03

FUNDING INVOLVING HUMAN SUBJECTS - AMOUNT RESTRICTED: \$60,000.00

FUNDING NOT INVOLVING HUMAN SUBJECTS BEING RELEASED AND AUTHORIZED FOR USE AT THIS TIME.

NOTICE: Under governing regulations, federal funds administered by the Department of Health and Human Services shall not be expended for research involving human subjects, and individuals shall not be enrolled in such research, without prior approval by the Office for Human Research Protections (OHRP) of an assurance to comply with the requirements of 45 CFR 46 to protect human research subjects. This restriction applies to all performance sites engaged in human subject research, whether domestic, foreign, or international without OHRP-approved assurances. Compliance for all performance sites must be ensured by the awardee.

In order to obtain an Assurance of Protection for Human Subjects, the applicant must register an Institutional Review Board (IRB) and complete the application for a Federalwide Assurance (FWA) located on the Office for Human Research Protection (OHRP) website or write to the OHRP for an application. Existing Multiple Project Assurances (MPAs), Cooperative Project Assurances (CPAs) and Single Project Assurances (SPAs) remain in full effect until they expire or until December 31, 2003, whichever comes first.

To register the IRB and apply for a FWA contact the OHRP at: <http://ohrp.osophs.dhhs.gov/irbasur.htm>

(Click on "Educational Materials" on the left side of the screen for the Training/ Education Module.) OR If your organization is not Internet-active, please obtain an application by writing to:

*Office for Human Research Protections (OHRP)
Department of Health and Human Services*

*OHRP – FWA
Office for Human Research Protections
Tower Building
1101 Wooten Parkway, Suite 200
Rockville, MD 20852USA*

Once OHRP posts the approved FWA(s) on its website, the awardee must provide the Grants Management Officer with the completed Protection of Human Subjects

Assurance Identification/Certification/Declaration forms (Optional Form 310) or other written verification of the institution's assurance and IRB registration numbers for each performance site involved in human subjects research and a copy of IRB approval report for each institution involved in the study."

NOTE 5

KEY PERSONNEL

SECTION I -

SPECIAL PROVISIONS

The following provisions are incorporated by reference from Title 45 - Public Welfare, Subtitle - DHHS, Part 74 - Uniform Administrative Requirements for Grants and Cooperative Agreements to Institutions of Higher Education, Hospitals, and other Nonprofit Organizations.

74.1	Purpose and applicability
74.2	Definitions.
74.5	Subawards
74.13	Debarment and suspension
74.17	Certifications and representations
74.24	Program Income
74.28	Period of availability of funds
74.33	Federally owned and exempt property
74.34	Equipment
74.35	Supplies
74.53	Retention and access requirements for records
74.73	Collection of amounts due

Provisions incorporated by reference have the same force and effect as if they were given in full text. Source: 45 CFR Part 74 AND 92. Copies of Code of Federal Regulation volumes are available in many libraries and for purchase from the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402. Copies of OMB Circulars referenced in the provisions may be obtained from the Office of Administration, Publications Unit, Room G-236, New Executive Office Building, Washington, D.C. 20503. An index of existing Circulars is contained in 5 CFR 1310.

SECTION I -

SPECIAL PROVISIONS

For Emphasis, The following provisions are incorporated IN FULL TEXT from Title 45 - Public Welfare, Subtitle - DHHS, Part 74 - Uniform Administrative Requirements for Grants and Cooperative Agreements to Institutions of Higher Education, Hospitals, and other Nonprofit Organizations.

Sec. 74.14 Special award conditions.

(a) The HHS awarding agency may impose additional requirements as needed, without regard to Sec. 74.4, above, if an applicant or recipient:

- (1) Has a history of poor performance;
- (2) Is not financially stable;
- (3) Has a management system that does not meet the standards prescribed in this part;
- (4) Has not conformed to the terms and conditions of a previous award; or
- (5) Is not otherwise responsible.

(b) When it imposes any additional requirements, the HHS awarding agency must notify the recipient in writing as to the following:

- (1) The nature of the additional requirements;
- (2) The reason why the additional requirements are being imposed;
- (3) The nature of the corrective actions needed;
- (4) The time allowed for completing the corrective actions; and
- (5) The method for requesting reconsideration of the additional requirements imposed.

(c) The HHS awarding agency will promptly remove any additional requirements once the conditions that prompted them have been corrected.

Sec. 74.21 Standards for financial management systems.

(a) Recipients shall relate financial data to performance data and develop unit cost information whenever practical. For awards that support research, unit cost information is usually not appropriate.

(b) Recipients' financial management systems shall provide for the following:

(1) Accurate, current and complete disclosure of the financial results of each HHS-sponsored project or program in accordance with the reporting requirements set forth in Sec. 74.52. If the HHS awarding agency requires reporting on an accrual basis from a recipient that maintains its records on other than an accrual basis, the recipient shall not be required to establish an accrual accounting system. These recipients may develop such accrual data for their reports on the basis of an analysis of the documentation on hand.

(2) Records that identify adequately the source and application of funds for HHS-sponsored activities. These records shall contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, outlays, income and interest.

(3) Effective control over and accountability for all funds, property and other assets. Recipients shall adequately safeguard all such assets and assure they are used solely for authorized purposes.

(4) Comparison of outlays with budget amounts for each award whenever appropriate, financial information should be related to performance and unit cost data. (Unit cost data are usually not appropriate for awards that support research.)

(5) Written procedures to minimize the time elapsing between the transfer of funds to the recipient from the U.S. Treasury and the issuance or redemption of checks warrants or payments by other means for program purposes by the recipient. To the extent that the provisions of the Cash Management Improvement Act (CMIA) (Pub. L. 101-453) and its implementing regulations, "Rules and Procedures for Funds Transfers," (31 CFR part 205) apply, payment

methods of State agencies, instrumentalities, and fiscal agents shall be consistent with CMIA Treasury-State Agreements, or the CMIA default procedures codified at 31 CFR 205.9(f).

(6) Written procedures for determining the reasonableness, allocability and allowability of costs in accordance with the provisions of the applicable Federal cost principles and the terms and conditions of the award.

(7) Accounting records, including cost accounting records that are supported by source documentation.

(c) Where the Federal Government guarantees or insures the repayment of money borrowed by the recipient, the HHS awarding agency, at its discretion, may require adequate bonding and insurance if the bonding and insurance requirements of the recipient are not deemed adequate to protect the interest of the Federal Government.

(d) The HHS awarding agency may require adequate fidelity bond coverage where the recipient lacks sufficient coverage to protect the Federal Government's interest.

(e) Where bonds are required in the situations described in Sec. 74.21 (c) and (d), the bonds shall be obtained from companies holding certificates of authority as acceptable sureties, as prescribed in 31 CFR part 223, "Surety Companies Doing Business with the United States."

Sec. 74.22 Payment.

(a) Unless inconsistent with statutory program purposes, payment methods shall minimize the time elapsing between the transfer of funds from the U.S. Treasury and the issuance or redemption of checks, warrants, or payment by other means by the recipients. Payment methods of State agencies or instrumentalities shall be consistent with Treasury-State CMIA agreements, or the CMIA default procedures codified at 31 CFR 205.9, to the extent that either applies.

(b) (1) Recipients will be paid in advance, provided they maintain or demonstrate the willingness to maintain:

(i) Written procedures that minimize the time elapsing between the transfer of funds and disbursement by the recipient; and

(ii) Financial management systems that meet the standards for fund control and accountability as established in Sec. 74.21.

(2) Unless inconsistent with statutory program purposes, cash advances to a recipient organization shall be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of the recipient organization in carrying out the purpose of the approved program or project. The timing and amount of cash advances shall be as close as is administratively feasible to the actual disbursements by the recipient organization for direct program or project costs and the proportionate share of any allowable indirect costs.

(c) Whenever possible, advances will be consolidated to cover anticipated cash needs for all awards made by all HHS awarding agencies to the recipient.

(1) Advance payment mechanisms include electronic funds transfer, with Treasury checks available on an exception basis.

(2) Advance payment mechanisms are subject to 31 CFR part 205.

(3) Recipients may submit requests for advances and reimbursements at least monthly when electronic fund transfers are not used.

(d) Requests for Treasury check advance payment shall be submitted on PMS-270, "Request for Advance or Reimbursement," or other forms as may be authorized by HHS. This form is not to be used when Treasury check advance payments are made to the recipient automatically through the use of a predetermined payment schedule or if precluded by special HHS-wide instructions for electronic funds transfer.

(e) Reimbursement is the preferred method when the requirements in paragraph (b) of this section cannot be met. The HHS awarding agency may also use this method on any construction agreement, or if the major portion of the construction project is accomplished through private market financing or Federal loans, and the HHS assistance constitutes a minor portion of the project.

(1) When the reimbursement method is used, HHS will make payment within 30 days after receipt of the billing, unless the billing is improper.

(2) Recipients may submit a request for reimbursement at least monthly when electronic funds transfers are not used.

(f) If a recipient cannot meet the criteria for advance payments and the HHS awarding agency has determined that reimbursement is not feasible because the recipient lacks sufficient working capital, HHS may provide cash on a working capital advance basis. Under this procedure, HHS advances cash to the recipient to cover its estimated disbursement needs for an initial period generally geared to the recipient's disbursing cycle. Thereafter, HHS reimburses the recipient for its actual cash disbursements. The working capital advance method of payment will not be used for recipients unwilling or unable to provide timely advances to their subrecipient to meet the subrecipient's actual cash disbursements.

(g) Unless inconsistent with statutory program purposes, to the extent available, recipients shall disburse funds available from repayments to and interest earned on a revolving fund, program income, rebates, refunds, contract settlements, audit recoveries and interest earned on such funds before requesting additional cash payments.

(h) Unless otherwise required by statute, the HHS awarding agency will not withhold payments for proper charges made by recipients at any time during the project period unless paragraph (h) (1) or (2) of this section applies:

(1) A recipient has failed to comply with the project objectives, the terms and conditions of the award, or HHS awarding agency reporting requirements.

(2) The recipient or subrecipient is delinquent in a debt to the United States. Under such conditions, the HHS awarding agency may, upon reasonable notice, inform the recipient that payments shall not be made for obligations incurred after a specified date until the conditions are corrected or the indebtedness to the Federal Government is liquidated.

(i) Standards governing the use of banks and other institutions as depositories of funds advanced under awards are as follows.

(1) Except for situations described in paragraph (i)(2) of this section, HHS will not require separate depository accounts for funds provided to a recipient or establish any eligibility requirements for depositories for funds provided to a recipient. However, recipients must be able to account for the receipt, obligation and expenditure of funds.

(2) Advances of Federal funds shall be deposited and maintained in insured accounts whenever possible.

(j) Consistent with the national goal of expanding the opportunities for women-owned and minority-owned business enterprises, recipients are encouraged to use women-owned and minority-owned banks (a bank which is owned at least 50 percent by women or minority group members).

(k) Recipients shall maintain advances of Federal funds in interest bearing accounts, unless one of the following conditions apply:

(1) The recipient receives less than \$120,000 in Federal awards per year.

(2) The best reasonably available interest bearing account would not be expected to earn interest in excess of \$250 per year on Federal cash balances.

(3) The depository would require an average or minimum balance so high that it would not be feasible within the expected Federal and non-Federal cash resources.

(l) For those entities where CMIA and its implementing regulations do not apply (see 31 CFR part 205), interest earned on Federal advances deposited in interest bearing accounts shall be remitted annually to the

Department of Health and Human Services, Payment Management System,

P.O. Box 6021,

Rockville, MD 20852.

Recipients with Electronic Funds Transfer capability should use an electronic medium such as the FEDWIRE Deposit System. Interest amounts up to \$250 per year may be retained by the recipient for administrative expense. State universities and hospitals shall comply with CMIA, as it pertains to interest. If an entity subject to CMIA uses its own funds to pay pre-award costs for discretionary awards without prior written approval from the HHS awarding agency, it waives its right to recover the interest under CMIA. (See Sec. 74.25(d)).

(m) PMS-270, Request for Advance or Reimbursement. Recipients shall use the PMS-270 to request advances or reimbursement for all programs when electronic funds transfer or predetermined advance methods are not used. HHS shall not require recipients to submit more than an original and two copies.

(n) Recipients and subrecipients are not required to use forms PMS-270 and 272 in connection with subaward payments.

Sec. 74.25 Revision of budget and program plans.

(a) The budget plan is the financial expression of the project or program as approved during the award process. It may include either the sum of the Federal and non-Federal shares, or only the Federal share, depending upon HHS awarding agency requirements. It shall be related to performance for program evaluation purposes whenever appropriate.

(b) Recipients are required to report deviations from budget and program plans, and request prior approvals for budget and program plan revisions, in accordance with this section. Except as provided at Secs. 74.4, 74.14, and this section, HHS awarding agencies may not impose other prior approval requirements for specific items.

(c) For nonconstruction awards, recipients shall obtain prior approvals from the HHS awarding agency for one or more of the following program or budget related reasons.

(1) Change in the scope or the objective of the project or program (even if there is no associated budget revision requiring prior written approval).

(2) Change in the project director or principal investigator or other key persons specified in the application or award document.

(3) The absence for more than three months, or a 25 percent reduction in time devoted to the project, by the approved project director or principal investigator.

(4) The need for additional Federal funding.

(5) The inclusion, unless waived by the HHS awarding agency, of costs that require prior approval in accordance with OMB Circular A-21, "Cost Principles for Educational Institutions;" OMB Circular A-122, "Cost Principles for Nonprofit Organizations;" or appendix E of this part, "Principles for Determining Costs Applicable to Research and Development under Grants and Contracts with Hospitals," or 48 CFR part 31, "Contract Cost Principles and Procedures," as applicable.

(6) The transfer of funds allotted for training allowances (direct payment to trainees) to other categories of expense.

(7) Unless described in the application and funded in the approved award, the subaward, transfer or contracting out of any work under an award. This provision does not apply to the purchase of supplies, material, equipment or general support services.

(8) The inclusion of research patient care costs in research awards made for the performance of research work.

(d) Except for requirements listed in paragraphs (c)(1) and (c)(4) of this section, the HHS awarding agency is authorized, at its option, to waive cost-related and administrative prior written approvals required by this part and its appendices. Additional waivers may be granted authorizing recipients to do any one or more of the following:

(1) Incur pre-award costs up to 90 calendar days prior to award, or more than 90 calendar days with the prior approval of the HHS awarding agency. However, all pre-award costs are incurred at the recipient's risk: the HHS awarding agency is under no obligation to reimburse such costs if for any reason the applicant does not receive an award or if the award to the recipient is less than anticipated and inadequate to cover such costs.

(2) Initiate a one-time extension of the expiration date of the award of up to 12 months unless one or more of the conditions identified at paragraphs (d)(2)(i), (ii), and (iii) of this section apply. For one-time extensions, the recipient must notify the HHS awarding agency in writing, with the supporting reasons and revised expiration date, at least 10 days before the date specified in the award. This one-time extension may not be exercised either by recipients or HHS awarding agencies merely for the purpose of using unobligated balances. Such extensions are not permitted where:

(i) The terms and conditions of award prohibit the extension; or

(ii) The extension requires additional Federal funds; or

(iii) The extension involves any change in the approved objectives or scope of the project.

(3) Carry forward unobligated balances to subsequent funding periods.

(4) For awards that support performance of research work, unless the HHS awarding agency provides otherwise in the award, or the award is subject to Sec. 74.14 or subpart E of this Part, the prior approval requirements described in paragraphs (d) (1)-(3) of this section are automatically waived (i.e., recipients need not obtain such prior approvals). However, extension of award expiration dates must be approved by the HHS awarding agency if one of the conditions in paragraph (d)(2) of this section applies.

(e) The HHS awarding agencies may not permit any budget changes in a recipient's award that would cause any Federal appropriation to be used for purposes other than those consistent with the original purpose of the authorization and appropriation under which the award was funded.

(f) For construction awards, recipients shall obtain prior written approval promptly from the HHS awarding agency for budget revisions whenever:

- (1) The revision results from changes in the scope or the objective of the project or program;
- (2) The need arises for additional Federal funds to complete the project; or
- (3) A revision is desired which involves specific costs for which prior written approval requirements apply in keeping with the applicable cost principles listed in Sec. 74.27.

(g) When an HHS awarding agency makes an award that provides support for both construction and nonconstruction work, it may require the recipient to obtain prior approval before making any fund or budget transfers between the two types of work supported.

(h) For both construction and nonconstruction awards, recipients shall notify the HHS awarding agency in writing promptly whenever the amount of Federal authorized funds is expected to exceed the needs of the recipient for the project period by more than \$5000 or five percent of the Federal award, whichever is greater. This notification shall not be required if an application for additional funding is submitted for a continuation award.

(i) Within 30 calendar days from the date of receipt of the request for budget revisions, HHS awarding agencies shall notify the recipient whether its requested budget revisions have been approved. If the requested revision is still under consideration at the end of 30 calendar days, the HHS awarding agency must inform the recipient in writing of the date when the recipient may expect a decision.

(j) When requesting approval for budget changes, recipients shall make their requests in writing.

(k) All approvals granted in keeping with the provisions of this section shall not be valid unless they are in writing, and signed by at least one of the following HHS officials:

- (1) The Head of the HHS Operating or Staff Division that made the award or subordinate official with proper delegated authority from the Head, including the Head of the Regional Office of the HHS Operating or Staff Division that made the award; or
- (2) The responsible Grants Officer of the HHS Operating or Staff Division that made the award or an individual duly authorized by the Grants Officer.

(l) No other prior approval requirements for specific items may be imposed unless a class deviation has been approved by OMB.

Sec. 74.26 Non-Federal audits.

(a) Recipients and subrecipients that are institutions of higher education or other non-profit organizations (including hospitals) shall be subject to the audit requirements contained in the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507) and revised OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." (b) State and local governments shall be subject to the audit requirements contained in the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507) and revised OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

(c) For-profit hospitals not covered by the audit provisions of revised OMB Circular A-133 shall be subject to the audit requirements of the Federal awarding agencies.

(d)(1) Recipients and subrecipients that are commercial organizations (including for-profit hospitals) have two options regarding audits:

(i) A financial related audit (as defined in the Government Auditing Standards, GPO Stock #020-000-00-265-4) of a particular award in accordance with Government Auditing Standards, in those cases where the recipient receives awards under only one HHS program; or, if awards are received under multiple HHS programs, a financial related audit of all HHS awards in accordance with Government Auditing Standards; or

(ii) An audit that meets the requirements contained in OMB Circular A-133.

(2) Commercial organizations that receive annual HHS awards totaling less than OMB Circular A-133's audit requirement threshold are exempt from requirements for a non-Federal audit for that year, but records must be available for review by appropriate officials of Federal agencies.

Sec. 74.27 Allowable costs.

(a) For each kind of recipient, there is a particular set of Federal principles that applies in determining allowable costs. Allowability of costs shall be determined in accordance with the cost principles applicable to the entity incurring the costs. Thus, allowability of costs incurred by State, local or federally recognized Indian tribal governments is determined in accordance with the provisions of OMB Circular A-87, "Cost Principles for State and Local Governments." The allowability of costs incurred by nonprofit organizations (except for those listed in Attachment C of Circular A-122) is determined in accordance with the provisions of OMB Circular A-122, "Cost Principles for Nonprofit Organizations" and paragraph (b) of this section. The allowability of costs incurred by institutions of higher education is determined in accordance with the provisions of OMB Circular A-21, "Cost Principles for Educational Institutions." The allowability of costs incurred by hospitals is determined in accordance with the provisions of appendix E of this part, "Principles for Determining Costs Applicable to Research and Development Under Grants and Contracts with Hospitals." The allowability of costs incurred by commercial organizations and those nonprofit organizations listed in Attachment C to Circular A-122 is determined in accordance with the provisions of the Federal Acquisition Regulation (FAR) at 48 CFR part 31, except that independent research and development costs are unallowable.

(b) OMB Circular A-122 does not cover the treatment of bid and proposal costs or independent research and development costs. The following rules apply to these costs for nonprofit organizations subject to that Circular.

(1) Bid and proposal costs. Bid and proposal costs are the immediate costs of preparing bids, proposals, and applications for Federal and non-Federal awards, contracts, and other agreements, including the development of scientific, cost, and other data needed to support the bids, proposals, and applications. Bid and proposal costs of the current accounting period are allowable as indirect costs. Bid and proposal costs of past accounting periods are unallowable in the current period. However, if the recipient's established practice is to treat these costs by some other method, they may be accepted if they are found to be reasonable and equitable. Bid and proposal costs do not include independent research and development costs covered by paragraph (b)(2) of this section, or pre-award costs covered by OMB Circular A-122, Attachment B, paragraph 33 and Sec. 74.25(d)(1).

(2) Independent Research and Development costs. Independent research and development is research and development which is conducted by an organization, and which is not sponsored by Federal or non-Federal awards, contracts, or other agreements. Independent research and development shall be allocated its proportionate share of indirect costs on the same basis as the allocation of indirect costs to sponsored research and development. The cost of independent research and development, including their proportionate share of indirect costs, are unallowable.

Sec. 74.41 Recipient responsibilities.

The standards contained in this section do not relieve the recipients of the contractual responsibilities arising under its contract(s). The recipient is the responsible authority, without recourse to the HHS awarding agency, regarding the settlement and satisfaction of all contractual and administrative issues arising out of procurements entered into in support of an award or other agreement. This includes disputes, claims, protests of award, source evaluation or other matters of a contractual nature. Matters concerning violation of statute are to be referred to such Federal, State or local authority, as may have proper jurisdiction.

Sec. 74.42 Codes of conduct.

The recipient shall maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts. No employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by Federal funds if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, or any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of the recipient shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to subagreements. However, recipients may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct shall provide for disciplinary actions to be applied for violations of such standards by officers, employers, or agents of the recipients.

Sec. 74.51 Monitoring and reporting program performance.

(a) Recipients are responsible for managing and monitoring each project, program, subaward, function or activity supported by the award. Recipients shall monitor subawards to ensure that subrecipients have met the audit requirements as set forth in Sec. 74.26.

(b) The HHS awarding agency will prescribe the frequency with which the performance reports shall be submitted. Except as provided in paragraph (f) of this section, performance reports will not be required more frequently than quarterly or, less frequently than annually. Annual reports shall be due 90 calendar days after the award year; quarterly or semi-annual reports shall be due 30 days after the reporting period. The HHS awarding agency may require annual reports before the anniversary dates of multiple year awards in lieu of these requirements. The final performance reports are due 90 calendar days after the expiration or termination of the award.

(c) If inappropriate, a final technical or performance report will not be required after completion of the project.

(d) Performance reports shall generally contain, for each award, brief information on each of the following:

(1) A comparison of actual accomplishments with the goals and objectives established for the period, the findings of the investigator, or both. Whenever appropriate and the output of programs or projects can be readily quantified, such quantitative data should be related to cost data for computation of unit costs.

(2) Reasons why established goals were not met, if appropriate.

(3) Other pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

(e) Recipients shall submit the original and two copies of performance reports.

(f) Recipients shall immediately notify the HHS awarding agency of developments that have a significant impact on

the award-supported activities. Also, notification shall be given in the case of problems, delays, or adverse conditions which materially impair the ability to meet the objectives of the award. This notification shall include a statement of the action taken or contemplated, and any assistance needed to resolve the situation.

(g) HHS may make site visits, as needed.

(h) The HHS awarding agency complies with the applicable report clearance requirements of 5 CFR part 1320, "Controlling Paperwork Burdens on the Public," when requesting performance data from recipients.

Sec. 74.52 Financial reporting.

(a) The following forms are used for obtaining financial information from recipients:

(1) SF-269 or SF-269A, Financial Status Report.

(i) The HHS awarding agency will require recipients to use either the SF-269 (long form) or SF-269A to report the status of funds for all nonconstruction projects or programs. The SF-269 shall always be used if income has been earned. The awarding agency may, however, waive the SF-269 or SF-269A requirement when the PMS-270, Request for Advance or Reimbursement, or PMS-272, Report of Federal Cash Transactions, will provide adequate information to meet its needs, except that a final SF-269 or SF-269A shall be required at the completion of the project when the PMS-270 is used only for advances.

(ii) If the HHS awarding agency requires accrual information and the recipient's accounting records are not normally kept on the accrual basis, the recipient shall not be required to convert its accounting system, but shall develop such accrual information through best estimates based on an analysis of the documentation on hand.

(iii) The HHS awarding agency will determine the frequency of the Financial Status Report for each project or program, considering the size and complexity of the particular project or program. However, the report will not be required more frequently than quarterly or less frequently than annually except under Sec. 74.14. A final report shall be required at the completion of the agreement.

(iv) Recipients shall submit the SF-269 and SF-269A (an original and two copies) no later than 30 days after the end of each specified reporting period for quarterly and semi-annual reports, and 90 calendar days for annual and final reports. Extensions of reporting due dates may be approved by the HHS awarding agency upon request of the recipient.

(2) PMS-272, Report of Federal Cash Transactions.

(i) When funds are advanced to recipients, the HHS awarding agency requires each recipient to submit the PMS-272 and, when necessary, its continuation sheet, PMS-272A through G. The HHS awarding agency uses this report to monitor cash advanced to recipients and to obtain disbursement information for each agreement with the recipients.

(ii) The HHS awarding agency may require forecasts of Federal cash requirements in the "Remarks" section of the report.

(iii) Recipients shall submit the original and two copies of the PMS-272 15 calendar days following the end of each quarter. The HHS awarding agency may require a monthly report from those recipients receiving advances totaling \$1 million or more per year.

(iv) The HHS awarding agency may waive the requirement for submission of the PMS-272 for any one of the following reasons:

(A) When monthly advances do not exceed \$25,000 per recipient, provided that such advances are monitored through other forms contained in this section;

(B) If, in HHS' opinion, the recipient's accounting controls are adequate to minimize excessive Federal advances; or,

(C) When the electronic payment mechanisms provide adequate data.

(b) When the HHS awarding agency needs additional information or more frequent reports, the following shall be observed.

(1) When additional information is needed to comply with legislative requirements, the HHS awarding agency will issue instructions to require recipients to submit that information under the "Remarks" section of the reports.

(2) When HHS determines that a recipient's accounting system does not meet the standards in Sec. 74.21, additional pertinent information to further monitor awards may be obtained, without regard to Sec. 74.4, upon written notice to the recipient until such time as the system is brought up to standard. In obtaining this information, the HHS awarding agencies comply with report clearance requirements of 5 CFR part 1320, "Controlling Paperwork Burdens on the Public."

(3) The HHS awarding agency may accept the identical information from a recipient in machine-readable format or computer printouts or electronic outputs in lieu of prescribed formats.

(4) The HHS awarding agency may provide computer or electronic outputs to recipients when such action expedites or contributes to the accuracy of reporting.

Sec. 74.61 Termination.

(a) Awards may be terminated in whole or in part only if either paragraph (a) (1), (2), or (3) of this section applies.

(1) By the HHS awarding agency, if a recipient materially fails to comply with the terms and conditions of an award.

(2) By the HHS awarding agency with the consent of the recipient, in which case the two parties shall agree upon the termination conditions, including the effective date and, in the case of partial termination, the portion to be terminated.

(3) By the recipient upon sending to the HHS awarding agency written notification setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if the HHS awarding agency determines in the case of partial termination that the reduced or modified portion of the award will not accomplish the purposes for which the award was made, it may terminate the award in its entirety.

(b) If costs are allowed under an award, the responsibilities of the recipient referred to in Sec. 74.71(a), including those for property management as applicable, shall be considered in the termination of the award, and provision shall be made for continuing responsibilities of the recipient after termination, as appropriate.

Sec. 74.62 Enforcement.

(a) If a recipient materially fails to comply with the terms and conditions of an award, whether stated in a Federal statute or regulation, an assurance, an application, or a notice of award, the HHS awarding agency may, in addition to imposing any of the special conditions outlined in Sec. 74.14, take one or more of the following actions, as appropriate in the circumstances:

(1) Temporarily withhold cash payments pending correction of the deficiency by the recipient or more severe enforcement action by the HHS awarding agency.

(2) Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.

(3) Wholly or partly suspend or terminate the current award.

(4) Withhold further awards for the project or program.

(5) Take any other remedies that may be legally available.

(b) In taking an enforcement action, the HHS awarding agency will provide the recipient or subrecipient an

opportunity for such hearing, appeal, or other administrative proceeding to which the recipient or subrecipient is entitled under any statute or regulation applicable to the action. (See also 45 CFR parts 16 and 95.)

(c) Costs to a recipient resulting from obligations incurred by the recipient during a suspension or after termination of an award are not allowable unless the HHS awarding agency expressly authorizes them in the notice of suspension or termination or subsequently. Other recipient costs during suspension or after termination which are necessary and not reasonably avoidable are allowable if:

- (1) The costs result from obligations which were properly incurred by the recipient before the effective date of suspension or termination, are not in anticipation of it, and in the case of a termination, are noncancellable; and
- (2) The costs would be allowable if the award were not suspended or expired normally at the end of the funding period in which the termination takes effect.

(d) The enforcement remedies identified in this section, including suspension and termination, do not preclude a recipient from being subject to debarment and suspension under E.O.s 12549 and 12689 and the HHS implementing regulations at Sec. 74.13 of this part and 45 CFR part 76.

Sec. 74.71 Closeout procedures.

(a) Recipients shall submit, within 90 calendar days after the date of completion of the award, all financial, performance, and other reports as required by the terms and conditions of the award. The HHS awarding agency may approve extensions when requested by the recipient.

(b) Unless the HHS awarding agency authorizes an extension, a recipient shall liquidate all obligations incurred under the award not later than 90 calendar days after the funding period or the date of completion as specified in the terms and conditions of the award or in agency implementing instructions.

(c) HHS will make prompt payments to a recipient for allowable reimbursable costs under the award being closed out.

(d) The recipient shall promptly refund any balances of unobligated cash that HHS has advanced or paid and that is not authorized to be retained by the recipient for use in other projects. 45 CFR part 30 governs unreturned amounts that become delinquent debts.

(e) When authorized by the terms and conditions of the award, HHS will make a settlement for any upward or downward adjustments to the Federal share of costs after closeout reports are received.

(f) The recipient shall account for any real and personal property acquired with HHS funds or received from the Federal Government in accordance with Secs. 74.31 through 74.37.

(g) In the event a final audit has not been performed prior to the closeout of an award, HHS retains the right to recover an appropriate amount after fully considering the recommendations on disallowed costs resulting from the final audit.



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

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DAVID E. JANSSEN
Chief Administrative Officer

December 5, 2003

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Yvonne Brathwaite Burke
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: David E. Janssen
Chief Administrative Officer

Board of Supervisors
GLORIA MOLINA
First District

YVONNE BRATHWAITE BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

DEPARTMENT OF HEALTH SERVICES RECOMMENDATIONS – (ITEM NUMBERS 20 AND 23, AGENDA OF DECEMBER 9, 2003)

The Department of Health Services (DHS) has filed two agenda items recommending action by your Board on the December 9, 2003, agenda, which include amendments to various service agreements to modify and/or extend terms and to accept grant funds and federal allocations.

Current County policy and procedure require the timely submission of contracts for Board approval. However, the items mentioned above, do not meet the three-week filing requirement under the Board's policy.

As stated in various DHS letters, the Department did not schedule the items for placement on the Board's agenda three weeks prior to the effective dates, as required, due to various reasons such as negotiations with contractors, delays in State allocations and contract amendment language, as well as the large number of agreements and amendments scheduled to expire at calendar year end and critical staffing shortages in contract administration.

If you have questions or need additional information, please contact me or your staff may contact Sheila Shima of my staff at (213) 974-1160.

DEJ:DIL
SAS:RR

c: Executive Officer, Board of Supervisors ✓
County Counsel
Director of Health Services